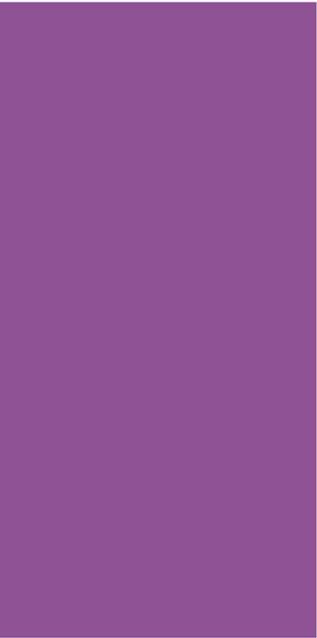


Time to Adapt



Home adaptations for older people:
The increase in need and future of
state provision

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About Care & Repair England

Care & Repair England is a national charity established in 1986 to improve the housing and living conditions of older and disabled people. Its aim is to innovate, develop, promote and support housing policies and initiatives which enable older and disabled people to live independently in their homes for as long as they wish.

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Designed by The Design Box

September 2009

About this report

This report sets out the key policy and practice issues that are arising as a consequence of an increasing older population, rising disability levels, the growth in owner occupation (particularly amongst lower income groups) and the availability of statutory help with home adaptations.

It analyses key demographic, health, disability and housing trends and estimates possible future need for adaptations and related financial help.

Emerging practice and policy issues are discussed and the challenge ahead set out.

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Introduction

Housing for an ageing society

The dramatic increase in life expectancy has changed the shape of British society.

In 1856 average life expectancy was 40 years. Today it is 84.4 years for women and 81.6 years for men¹ and there are now more people over retirement age than children under sixteen.

These extra years of life are undoubtedly a cause for celebration and if society adjusts its thinking and structures, can be a positive development. One such adjustment that needs to be planned for is the increase in years of life spent with health problems and disability.

The need for health and social care services is increasingly concentrated in older age, particularly for the over 80's, where the largest relative growth in population size is set to take place over the next twenty years.

The desire of the majority of older people is to live independently in their own homes for as long as possible, able to get out and about in their local area and take an active part in the community.

Whilst health and social care policies and services are increasingly responding to this desire and demographic change, the housing and planning world has not yet done so. Rethinking the design of homes and neighbourhoods² to enable greater independence across the lifespan is discussed but has so far not been adopted to a significant level by the housing and planning mainstream.

Ninety per cent of older people live in general housing. A third of all homes are lived in by older people. Thus the suitability, condition and adaptation of *all* types of housing are critical in an ageing society.

There is a growing body of evidence demonstrating that an accessible, adapted home can make a significant contribution to improving older and disabled people's quality of life³. Adaptations can enable independence, help to prevent accidents, particularly falls, and reduce hospital and care home admission rates.

Put very simplistically – suitably designed or adapted housing has a direct effect on the cost of health and social care.

Home adaptations

Because disability and the need for home adaptations often coincides with low or reduced income, many people are helped by the State when they face problems with day to day living in their home.

Two of the main sources of help are Community Equipment Services and Disabled Facilities Grants. Community Equipment provides people with small items (eg. bath seat, walking frame) or minor

¹ ONS (2006) General Household Survey

² Communities and Local Government and ILCUK (2008) *Towards Lifetime Neighbourhoods: Designing sustainable communities for all*, London: CLG

³ Heywood F & Turner L (2006) *Better Outcomes, lower costs: Implications for health and social care budgets of investment in housing adaptation, improvements and equipment: A review of evidence*, Office for Disability Issues and the University of Bristol

adaptations (eg. grab rail) under the value of £1,000. For anything larger and more substantial a mean tested grant, the DFG, can be applied for (eg. level shower, stairlift).

There is a national legislative framework defining eligibility for help with adaptations but the reality on the ground, particularly for DFG, is a postcode lottery. State assistance with home adaptations in many areas is failing to meet rising need.

Whilst a disabled person has a theoretical right to a DFG some people can wait years for such help.

The result is human misery. Older people are facing the undignified situation of living, sleeping and eating in a single room with a commode in the corner, of being washed down standing in a child's paddling pool in their kitchen or crawling up the stairs on their hands and knees. Professionals who want to support disabled people find themselves debating whether a person has a social or a medical need to bathe (able to offer help with the latter but not the former) in the face of inadequate budgets and rationing of provision.

Changes to the Disabled Facilities Grant system, announced in 2008, and phased in over 2008-10⁴ offer local authorities increasing local flexibility in the provision of adaptations assistance. Whilst this will undoubtedly result in improvements in some areas, the adaptation help that a disabled person can expect will become increasingly determined by where they live.

Where next?

In the debates about the future of the social care system fundamental questions are being posed including the role of the state versus that of the individual and national minimum provision versus locally determined variation.

In the face of mounting problems with current adaptations provision and a predictable rise in need amongst older people, a similar fundamental debate is needed about the provision of state help with home adaptations.

The aim of this report is to provide an overview of current systems of adaptation assistance, to consider potential future need and to pose key questions that policy makers need to address as a matter of urgency.

⁴ Communities and Local Government (2008) *Lifetime Homes, Lifetime Neighbourhoods*, London, CLG

Summary

Chapter 1:

The scale of need for home adaptations for older people

Older age does not inevitably result in disability but, as Chapter 1 shows, difficulties with mobility and the activities of daily living do increase significantly with age.

Whilst extra years have been added to life these are not yet all healthy years, particularly for lower income groups. Not only is there a significant social inequality in life expectancy, but also in health life expectancy.

Older people are by far the main recipients of help with home adaptations. Thus population ageing, combined with the increase in lower income owner occupation, are two of the main social trends resulting in a rising need for adaptations assistance.

Chapter 1 describes in detail the trends in key areas that impact on the need for home adaptations and sets out some broad estimates of future need.

Home Adaptations: Current and future demand

The main factors impacting on home adaptation demand are:

- **Demography** – *increasing life expectancy and the particularly large rise in the number of people aged over 80 years.*
 - **Health and Disability** – *growth in the number of people living with a long term health condition and/or disability.*
 - **Housing tenure, condition and suitability** – *the condition and unsuitability of the housing stock, rising low income owner occupation (particularly during retirement) and growth in the number of older households.*
 - **Income** – *the links between low income, age, disability and low levels of savings.*
- It is estimated that the number of older, disabled people in England will double from 2.3m in 2002 to 4.6m by 2041.
 - Increase in life expectancy is not yet being matched by an equivalent increase in healthy life expectancy.
 - By 2025 almost 1.5 million people aged 75 or over will be unable to manage at least one mobility/daily living activity on their own
 - There has been a 60 per cent increase over 5 years in the number of people over 85 who report that they have a serious disability or medical condition.
 - There are now as many low income home owners as low income tenants and the majority of the need for home adaptations is in the private sector.
 - There is a higher level of ill health and disability amongst lower income groups.
 - More than half of all pensioners receive 50 per cent or more of their income from state support. Disabled people (all ages) are twice as likely to live in poverty as non-disabled people.

- Receipt of Attendance Allowance is a potentially useful indicator of a need for home adaptations. 1.6 million older people are in receipt of AA in the UK.
- Around 30 per cent of pensioner couples and 48 per cent of single women pensioners have savings of under £1,500.
- In 2006-7, 1.4 million individuals reported having a medical condition or disability that resulted in them requiring specially adapted accommodation, of whom 22 per cent considered their current home unsuitable.
- For a variety of reasons described in the chapter this is likely to be an underestimate of the need for some level of home adaptation. Even so, there were at least 145,000 people aged 65 or more whose accommodation was considered to be unsuitable due to disability/ health reasons.
- *If (and this is a highly qualified if) all of these unsuitable housing situations could be addressed at the cost of an average Disabled Facilities Grant (value c. £6,600) the total cost would amount to £975 million (compared with the estimated annual expenditure on DFG of about £250 million helping 38,000 people).*
- By 2036 there will be 17 million people aged 65 or more. On current trends 33% (5.6 million) of people over 65 and 50 per cent (4.5 million) of people over 75 will experience a limiting long term illness.
- *Based on current population projections, this would mean in 2036, around 810,000 people aged 75 or more would be living in properties that they considered unsuitable for their needs. The vast majority (around 70 per cent) 567,000 would be living in owner-occupied properties.*

Chapter 2: Financial assistance for home adaptations

There is undoubtedly a large and growing private sector adaptations market for people who can meet the costs from savings and income. However, as Chapter 1 has shown, a significant proportion of older people who need home adaptations have limited financial resources. A system of state assistance for those in need has thus evolved over the years.

Past and present systems are described in Chapter 2 and main trends identified.

Disabled Facilities Grants Today

- 38,130 Disabled Facilities Grants were awarded in 2007-8 to help with the costs of home adaptations. Approximately 70% of grants were for older people.
- The average grant was £6,559 with total expenditure of £250 million.
- Social Services expenditure on residential care for people over 65 years was £2.4 billion in 2007-8, with average annual expenditure of £21,400 per person.
- Expenditure on DFGs has risen year on year since their inception but still falls significantly short of being able to meet need.
- Local authorities are no longer legally obliged to match central government funding for DFGs. If LAs used this opportunity to reduce this area of expenditure the funding for DFGs could theoretically fall to £166m in 2010-11, which at the current average grant, would assist only 25,308 people.

Other financial help with adaptations

- Social Services expenditure on Adaptations and Equipment in 2003-4 was just under £165 million. 62 per cent of expenditure was for adaptations to homes helping an estimated 125,000 people.
- Help for older people accounted for 46 per cent of cases.
- Local housing authorities are responsible for meeting the cost of home adaptations in their own stock, but detailed data is not available on either numbers of adaptations or expenditure.
- Housing associations sometimes meet the cost of adaptations for tenants, but may also advise their tenants to apply for a DFG. Detailed data is again not available on this area of adaptation expenditure.
- A further rise in the number of applications for aids, adaptations and specialist items for disabled people was highlighted in the 2009 Annual Review of the Social Fund undertaken by the Social Fund Commissioner. Serious concerns were noted about the failings in statutory provision of adaptations and equipment for disabled people.
- Charities and Benevolent Funds are often asked to help with the costs of home adaptations. The Association of Charity Officers reported that £2.2 million was being spent on stair lifts alone, with expenditure on adaptations, special chairs, scooters & wheelchairs amounting to £3.5 million
- In their 2009 survey of expenditure trends of the 35 major charities and trusts who are members of Benevolence Today (which spend around £30 million pa on grants to individuals), 41% of members reported an increase in expenditure on financial help with home adaptations and repairs.

Chapter 3: Emerging issues

The ongoing rise in the need for adaptations for the range of reasons described in Chapters 1 and 2 has not been matched by an equivalent growth in assistance. Chapter 3 summarises a range of issues that are emerging as a consequence.

- Two of the main reasons for older people not being able to obtain timely help with essential home adaptations through DFG are i) delays in the system of processing/delivery and ii) inadequate budgets.
- For some people this is resulting in months, if not years, of waiting for help.
- Adaptations for some housing association tenants are emerging as a growing problem as more associations advise their tenants to apply for a DFG instead of providing the adaptation themselves.
- The Social Fund is increasingly being applied to for help with adaptations and equipment to the extent that the Social Fund Commissioner has strongly criticised Social Services for failing in their Statutory Duties towards disabled people.
- Charities and Benevolent Funds are reporting a rise in demand for help with adaptations and equipment that they are unable to meet. They are also increasingly concerned that they are being asked to replace statutory provision (DFG) due to unacceptable waiting times for state assistance.
- To improve the processing of DFG increased use of OT assistants, Trusted Assessors, Self-Assessment, handyperson services and Home Improvement Agencies are all being effectively utilised by some local authorities and are worthy of further expansion.

Chapter 4: Policy and practice - the challenges

“With the current demographic changes in society, any policy with the power to reduce the costs of health and social care for older and disabled people must be of interest to Government. If the policy produces improved quality of life outcomes it will be all the more welcome.” (quote from Better outcomes, lower costs)

Chapter 4 summarises why it is so important for serious debate to take place about the future of help with home adaptations for older people and poses a number of key areas for consideration.

- The potential impact of letting the current situation continue includes increasing risk of falls and accidents amongst older people in their own homes, rising demand for help with personal care such as washing, bathing, toileting, greater demand on social services, including the need for residential care, further delays in hospital discharge and a worsening quality of life for growing numbers of older people.
- **Proving the benefits** - ‘*Better Outcomes, Lower Costs*’ concluded that adaptations save public money by reducing or removing outlay, prevention of expenditure, prevention of waste, achieving better outcomes for the same expenditure.
- However, further studies are needed to **quantify such savings** in more detail. This evidence will be crucial to demonstrate the actual monetary value of home adaptations at a time of major public spending constraints, and provide indicators of the most effective use of available funding.
- There is room for **improvement in efficiency**. At a time of rising pressures on public expenditure some of the improvement in provision of help with home adaptations will need to come from efficiency savings. This could include streamlining processes to save on staff time, increased use alternative systems of delivery, grant reclaiming, block contracting, recycling and new technology.
- One of the significant obstacles to gaining a higher priority for and greater investment in the provision of home adaptations is that **expenditure by one government department – housing – results in savings in other sectors – health and social care**. It should not be underestimated just how influential this has been in the lack of prioritisation of adaptation provision. Cross sector planning is urgently needed to avoid low prioritisation of adaptations because of this.
- There also needs to be a cross-government policy change on this issue, with interdepartmental agreement about priorities and the importance of home adaptations.

- There is an urgent need for **national agreement and guidance** on the obligations and responsibilities of housing associations concerning the provision of adaptation assistance for their tenants if this situation is not to worsen both the position of disabled tenants and also low income home owners.
- The current DFG problem causes serious **dilemmas for many benevolent funds**. Whilst having significant resources the sector clearly does not have anything approaching enough to provide statutory level of adaptations help for every disabled person but has potential to add value and fill gaps.
- If all new housing was built to Lifetime Homes Standards, across all tenures, this would in the longer term result in a fall in the future need to undertake home adaptations. As a matter of urgency **Lifetime Homes Standards as a minimum** need to be made mandatory through Building Regulations for all homes of all tenures.
- In the case of **refurbishment of existing property**, such as stock improvements through the Decent Homes programme or mass programmes to increase energy efficiency, it would also be worth exploring the practicalities of incorporating at least elements of Lifetime Homes Standards into such improvements.
- **Support for self-help** by encouraging people to think and plan ahead for their housing during their retirement should be a high priority. High profile, locally accessible, independent and impartial advice demonstration centres for equipment and adaptation would enable people to make the best use of what limited resources they may have.
- In implementing social care changes such as **direct payments and individual budgets**, incorporation of home adaptations into these systems may not always be the best route to delivery.
- There is currently a theoretical right to help with home adaptations for any disabled person with limited means. However, in practice this system is not working and a **postcode lottery** exists with regard to both efficiency of delivery and adequacy of funding.
- Exactly what practical help a person can expect from the State if and when they face ill health and disability in later life needs to be decided and made clear, not only with regard to welfare benefits and social care, but also with practical services such as home adaptations.
- An '**Honest Contract**' between the State and the individual concerning financial help with home adaptations is needed as a matter of urgency.

Chapter 1:

The scale of need for home adaptations for older people

Whilst older age does not inevitably result in disability, as this chapter demonstrates, difficulties with mobility and the activities of daily living do increase significantly with age. Older people are by far the main recipients of help with adaptations and therefore population ageing is the major social trend impacting on the rising demand for adaptations assistance.

In this chapter the trends in key areas that impact on the need for home adaptations are described.

Factor: Demographic trends

An ageing population

In common with most of Western Europe, the population in England is ageing and the rate of increase is accelerating. The next 20 years will see a rapid rise in the older population. The number of people aged 50+ will increase by 5.2 million, (25 per cent), to 22.7 million between 2009 and 2029⁵. By 2029, 39 per cent of the population will be aged 50 or over.

The Audit Commission, amongst others, predicts that there will be a marked increase in the rate of growth of the very elderly. For example the number of people aged 100 or over will increase fourfold to 40,500 over the next twenty years. The number of people aged 80 or more will almost double from 2.4 million in 2009 to 4.3 million in 2029.

Lifetime Homes, Lifetime Neighbourhoods National Strategy for Housing in an Ageing Society⁶ identified that over the 30 year period from 2006 to 2036:

- The population aged 65 years and over is set to rise by 7.3 million, from 9.7 million to 17 million, an increase of 76 per cent.
- The number of people aged 75 years and over is expected to increase by 4.4 million, from 4.7 million to 9 million, an increase of 95 per cent.
- The number of people aged 85 years and over is likely to rise by 2.3 million, from 1.2 million to 3.5 million, an increase of 184 per cent.

As shown in Figure 1, people aged 65 or more currently represent 16 per cent of the total population. By 2020 they will represent 19 per cent of the total population and 20 per cent by 2025. People aged 85 or more currently represent 2 per cent of the total population. By 2020 they will represent 2.8 per cent and by 2025, 3.28 per cent. In total by 2020 there will be over 10.5 million people in England over the age of 65 with 1.5 million being 85 or more. By 2025 there will be 11.5 million and almost 2 million respectively⁷.

⁵ Audit Commission (2008) *Don't Stop Me Now Preparing for an ageing population*, London: Audit Commission

⁶ Communities and Local Government (2008) *Delivering Lifetime Homes, Lifetime Neighbourhoods*, London CLG

⁷ Office for National Statistics (ONS) (2007) 2006 mid year population estimates

Figure 1: Population aged 65+ and 85+

	2008		2020		2025	
	Numbers	Percentage of total population	Numbers	Percentage of total population	Numbers	Percentage of total population
People aged 65 or more	8,279,800	16%	10,563,000	18.74%	11,587,600	19.87%
People aged 85 or more	1,125,600	2%	1,576,000	2.80%	1,912,900	3.28%

Source: 2006 mid year population estimates, Office for National Statistics (ONS), 2007

Factor: Health and Disability Trends

Long term limiting illness

There is an established interconnection between housing conditions and a range of long term limiting illnesses. These include heart disease, stroke, mental health problems, respiratory conditions, arthritis and rheumatism. Many of these conditions also result in problems with mobility and the activities of daily living, hence an associated need for adaptations to the home.

The likelihood of illness increases with age. In 2006, 45 per cent of men and 44 per cent of women aged 45-64 years old reported that they had a longstanding illness. In the age group of 65 and over this increased to 66 per cent of men and 67 per cent of women⁸.

Long term limiting illness was reported by 23 per cent of men and 27 per cent of women aged between 45-64 years. This rises to 41 per cent of men and 45 per cent of women for those aged 65 or more. Between the ages of 65 and 74 around one-third of people reported a long term limiting illness but this increases to 50 per cent or more for people aged 75 or more⁹.

As the population ages the incidence of long term limiting illness will also increase. By 2020 there will be 5 million people aged 65 or more with a long term limiting illness rising to 5.5 million in 2025¹⁰. There will be a slight shift in age profile with 20 per cent of these people being aged 75 or more compared to 17 per cent currently.

In 2001 over 70 per cent of people aged 55 or more with a long term limiting illness were living in private sector housing, with the majority living in owner-occupied premises, see Figure 2.

⁸ ONS (2006) General Household Survey 2006

⁹ Palmer, MacInnes & Kenway (2008) *Monitoring poverty and social exclusion*, York: Joseph Rowntree Foundation

¹⁰ ONS 2001 and Projecting Older People Population Information System (POPPI) Department of Health.

Figure 2: Percentage of people aged 55 and over with a limiting long term illness and by tenure in 2001

	Aged 55-64	Aged 65-74	Aged 75-84	Aged 85 & over
Owned	69%	69%	64%	60%
Private rented or living rent free	7%	6%	8%	12%
Rented from council	18%	18%	20%	18%
Other social rented	7%	7%	8%	10%
Total private sector	76%	75%	72%	72%
Total Social Housing	25%	25%	28%	28%

Source: Department of Health 2008

By 2020 there will be over 2 million people aged 65 or over with a long term limiting illness living alone. This will increase to 2.3 million by 2025 with 73 per cent being aged 75 or over and 30 per cent being aged 85 or over.

A long term limiting illness can have a variety of causes. Many are likely to indicate an increase in the likelihood of a future need for housing adaptations.

■ Stroke

The number of people aged 65 or more with a long term limiting illness caused by a stroke will increase by 49 per cent between 2008 and 2025 from 214,659 to 320,781¹¹.

■ Falls

There is also likely to be a large increase in the number of older people being admitted to hospital as a result of falls. Whilst the number of people aged between 65 to 74 years old will increase by almost 30 per cent, the expected increase is particularly acute amongst people who are 75 years old or more at 49 per cent¹².

■ Reduced Mobility

Many more older people will have difficulty with mobility activities such as; going out of doors and walking down the road; getting up and down stairs; getting around the house on the level; getting to the toilet; getting in and out of bed. By 2025 almost 1.5 million people aged 75 or over will be unable to manage at least one mobility/daily living activity on their own, an increase of over half a million people or 53 per cent compared to 2008. In the 65 to 74 year old age group the increase will be 28 per cent¹³.

¹¹ ONS 2004/05 General Household Survey and Projecting Older people Population System (POPPI), Department of Health.

¹² Scuffham, P. et al, *Incidence and costs of unintentional falls in older people in the United Kingdom*, Journal of Epidemiology and Community Health, Vol. 57, No.9, Sept. 2003 and Projecting Older people Population System (POPPI), Department of Health.

¹³ ONS 1998 General Household Survey and Projecting Older people Population System (POPPI), Department of Health.

Figure 3: Summary of the Incidence of Common Health Conditions in the Population over 65 years Linked to Potential Housing Adaptation Need¹⁴

Condition	Incidence in the population over 65 yrs
Arthritis	50%
Hypertension and heart disease	30%
Hearing problems	32%
Cataracts or other forms of visual impairment	26%
Mobility problems	32%
Dementia	5%

Disability

The majority of disabled people are over retirement age. 63 per cent of women and 52 per cent of men with a serious disability are 65 years old or more, as are 47 per cent of women and 45 per cent of men with a moderate disability. In all, 77% of women with a serious disability are aged 55 or more, as are 73% of men with a serious disability.

Figure 4: Disability by gender and severity

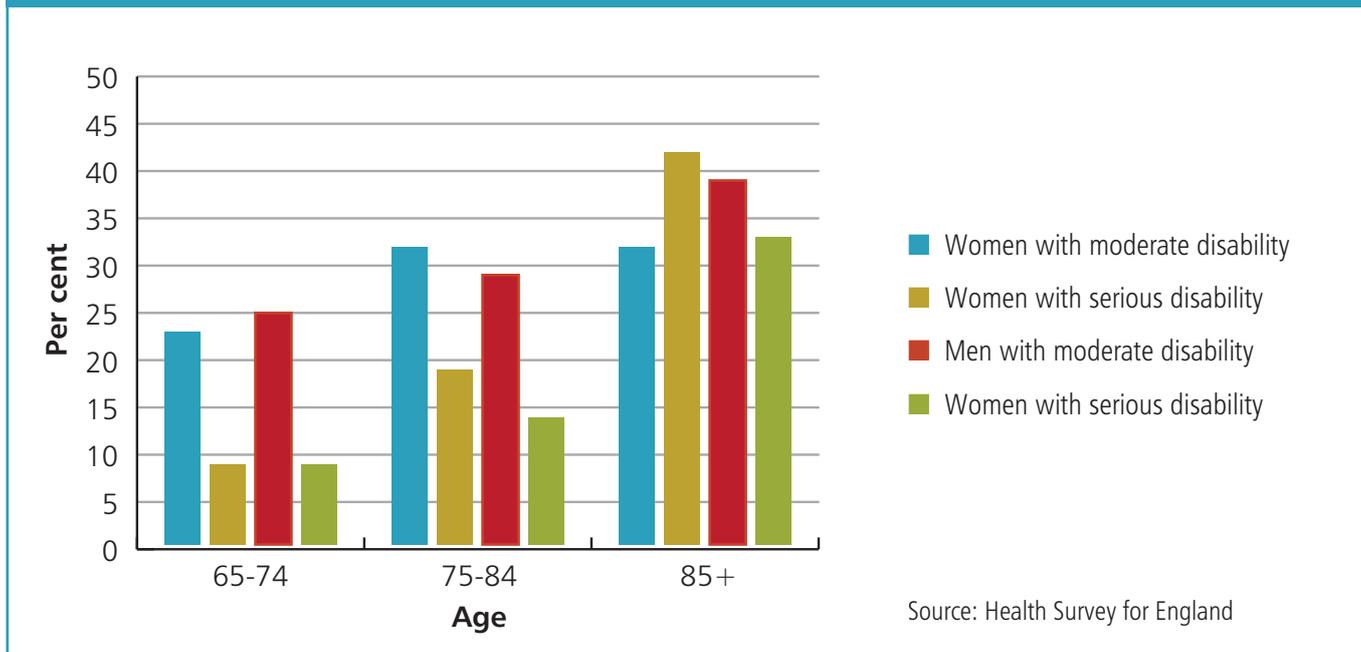
Disability	Age					
	16-25	25-54	55-64	65-74	75-84	85+
Women						
No Disability	12%	60%	13%	10%	5%	1%
Disabled	3%	28%	17%	21%	22%	9%
Moderate disability	3%	32%	18%	22%	20%	5%
Serious disability	2%	21%	14%	19%	28%	16%
Men						
No Disability	14%	57%	14%	10%	5%	0%
Disabled	3%	28%	22%	24%	17%	6%
Moderate disability	3%	31%	22%	25%	16%	4%
Serious disability	3%	24%	21%	24%	19%	9%

Source: Health Survey for England, 2001

Disability is more prevalent amongst older age groups. For women aged 85 years old or more 42 per cent have a serious disability and 32 per cent a moderate disability. For men in that age group the prevalence is slightly lower with 33 per cent having a serious disability and 39 per cent a moderate disability.

¹⁴ Audit Commission (2004) *Independence and Well-being 4: Assistive Technology*, London Audit Commission

Figure 5: Prevalence and severity of disability, by age and gender



As in the population as a whole, the majority of people with a disability live in owner-occupied homes. However, the proportion living in owner-occupied homes (64 per cent of men and 59 per cent of women) is lower amongst people with disabilities than for those with no disability (77% and 75% respectively). Even though numerically lower, proportionately people with a disability are twice as likely to live in social housing. For people aged 65 and over, around 20 per cent with a disability are likely to live in social housing compared to 14 per cent of people without a disability^{15 (13)}.

Factor: Housing Trends

Tenure

There was a dramatic increase in the level of home ownership between 1971 and 2006, see figure 4. The rate increased from less than 50 per cent in 1971 to 70 per cent in 2006. Most of the increase occurred during the 1980s, partly as a result of the 'right to buy' and increased access to mortgages.

One consequence of this major social change is that there are now as many low income home owners as low income tenants. As these low income households move into low income retirement the affordability of home repairs and adaptations is becoming an increasing issue.

The percentage of households renting council homes increased from 31 per cent in 1971 to a peak of 34 per cent in 1981, but since then has declined steadily to 12 per cent in 2006.

The percentage of households renting from a housing association rose from 1 per cent in 1971 to 3 per cent in 1991, the increase continuing since then to 8 per cent in 2006.

The percentage of households renting privately fell from 20 per cent in 1971 to 7 per cent in 1991 but has continued to rise steadily since then.

¹⁵ Bajekal, Primatesta and Prior (2003). 2001 *Health Survey for England*, Department of Health

Figure 6: Housing tenure 1971 – 2006

	1971	1991	2000	2006
Owner occupied, owned outright	22%	25%	27%	30%
Owner occupied, with mortgage	27%	42%	41%	40%
Rented privately	20%	7%	10%	11%
Rented from council	31%	24%	16%	12%
Rented from housing association (RSL)	1%	3%	6%	8%
Total private sector	69%	84%	78%	81%
Total social housing	32%	27%	22%	20%

Source: General Household Survey 2006

Older households

The last Census identifies that 30 per cent of all households are already headed by someone over retirement age. Older people will make up 48 per cent of the increase in new households by 2026, with this figure reaching as high as 90 per cent in some areas¹⁶.

Single person households

There has been a considerable increase in the number of single person households over the last 30 years. In 1971, 6 per cent of the population lived in single person households representing 17 per cent of total households. By 1991 this had risen to 11 per cent of the population and 26 per cent of households and by 2006 13 per cent and 30 per cent respectively¹⁷. Throughout this time around 26 per cent of people aged 65 to 74 lived alone and 50 per cent of people age 75 or more. However, there is a marked difference between men and women with 61 per cent of women aged 75 or more living alone compared to only 32 per cent of men of that age.

Currently women outnumber men amongst older age groups. In 2006 60 per cent of people aged 75 or more were women. Women will continue to outnumber men in the population aged 65 and over although the gap will narrow slightly, from 56.3 per cent today to 53.8 per cent in 2025. By 2025 there will be 0.9 million women aged between 65 and 74 years old and 2 million aged 75 or more who are living alone^{18 (5)}. This represents twice the number of men living alone in each age group.

¹⁶ Communities and Local Government (2008) *Lifetime Homes, Lifetime Neighbourhoods*

¹⁷ ONS (2006) General Household Survey

¹⁸ ONS (2004) General Household Survey

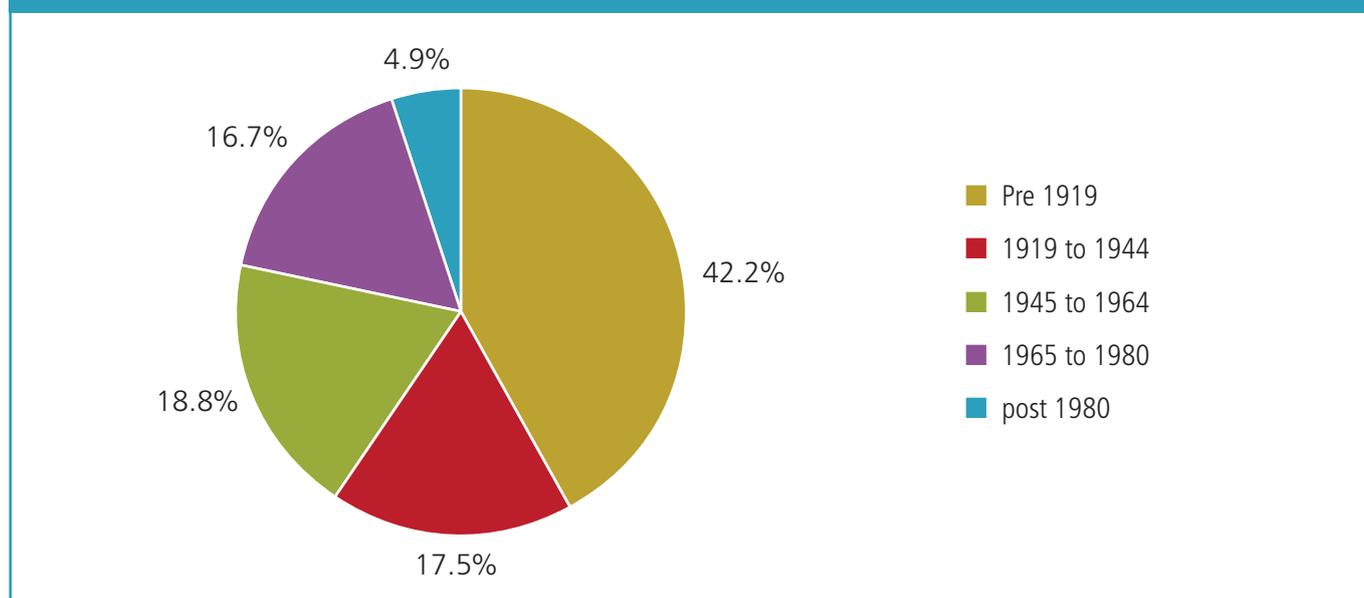
Vulnerable Households

Figures from the English House Condition Survey¹⁹ show that in 2005 there were 1.6 million people over the age of 60 in private sector housing who were considered vulnerable²⁰. This represents over 50 per cent of all vulnerable households in the private sector. Of these 802,000 were aged 75 or more representing 25 per cent of the total.

Slightly more than 57 per cent of vulnerable households of all age groups in the private sector had at least one person with a long term limiting illness or disability.

There are 4.5 million private sector properties that fail to meet the decent homes standard. Of these over 1 million are occupied by vulnerable households. Most non-decent properties, 60 per cent, occupied by vulnerable householders are pre war age. Pre 1919 properties make up 42.2 per cent of these and 17.5 per cent are 1919 to 1945 properties, see figure 7.

Figure 7: Age of private sector properties occupied by vulnerable households 2005



Of vulnerable households in the private sector 46 per cent own their property outright, whilst 30 per cent own with a mortgage and almost 24 per cent are renting. The mean cost of bringing these properties up to the decent homes standard, where repair or modernisation is required, is £15,111 for owner-occupied properties and £13,424 for privately rented properties.

Adapted Homes

Private sector properties are less well adapted to suit the needs of people with disabilities, see figure 8. Less than 2 per cent of owner-occupied properties have all four access features in the survey compared to almost 10 per cent of properties rented from Registered Social Landlords. Of properties with none of the features, the private rented sector was the worst with nearly 21 per cent. However, that represents just half a million properties compared to 2.6 million (17 per cent) owner-occupied properties lacking any of the access features.

¹⁹ Communities and Local Government (2008) *English House Condition Survey 2006*, London: CLG

²⁰ The definition of vulnerable households for April 2005 to March 2007 was households in receipt of: income support, housing benefit, attendance allowance, disability living allowance, industrial injuries disablement benefit, war disablement pension, pension credit, child tax credit and working tax credit. For child tax credit and working tax credit the household is only considered vulnerable if the household has a relevant income of less than £15,050. It does not include being in receipt of council tax benefit or income-based job seeker's allowance.

Figure 8: Percentage of properties with access features by tenure in 2005

	Flush threshold	Level access	Bath & wc at entrance level	Wider doorsets and circulation	None	All four
Owner occupied	14.2	70.9	31.3	14.4	16.8	1.9
Private rented	17.2	63.7	38.9	12.3	20.6	3.0
Local authority	25.9	67.1	46.3	14.6	17.2	5.9
RSL	37.4	70.3	46.9	19.7	14.2	9.6
All dwellings	17.6	69.7	34.9	14.6	17.0	3.1

Source: English House Condition Survey 2006

Factor: Income trends

The ability of older people to meet the cost of home adaptations is mainly determined by their income and savings levels. There are also ongoing policy debates about the extent to which older home owners should/could use equity release to pay for their home adaptations (discussed further in Chapter 3) but little evidence of widespread take up of this option to date.

As already highlighted, there is a higher incidence of disability and earlier onset of disability amongst lower income groups, hence potentially a greater level of need for assistance with home adaptations amongst the people least able to afford them.

Department for Work and Pensions projections suggest that, even following the planned state pension reforms, by the year 2050 around 40 per cent of pensioner households could be entitled to any one of the three main income related benefits; Pension Credit (30% with 15% including Guarantee Credit), Housing Benefit (10%) or Council Tax Benefit (30%)²¹. The rate is likely to be 50% in 2030. Council Tax Benefit, Housing Benefit and Pension Credit Guarantee are all currently pass-porting benefits for the Disabled Facilities Grants means-test.

Figures published by Eurostat, on behalf of the European Commission showed that older people in the UK were amongst the most impoverished in Europe. In the UK 30 per cent of people aged 65 or more have incomes below the national average compared to an EU average of 19 per cent²².

Social Security Benefits

State support plays an important role in the incomes of the vast majority of the population. Almost three quarters, 70 per cent, of all households are in receipt of at least one form of state support²³. In all 57 per cent of households are in receipt of Retirement Pension or Child Benefit.

Older people, as they move from work to retirement, have a greater dependence on state support than younger people, see Figure 9. The percentage of income from pension sources continues to rise through retirement age. For the 85 years or more age group 58 per cent of income comes from Retirement Pension, Pension Credit or other non-disability related social security benefits. Dependency on disability related benefit also increases with age, representing 8 per cent of income of people aged 85 years or more compared to 4 per cent of people aged 60 to 64 and 65 to 74.

²¹ Department for Work and Pensions (2009) *Projections of entitlement to Income Related Benefits to 2050*, London: DWP

²² Reported in *The New Statesman*, 'Government urged to tackle pensioner poverty', 27 July 2009 and <http://epp.eurostat.ec.europa.eu>

²³ ONS (2008) Family Resources Survey (FRS) 2006/07

Figure 9: Percentage of weekly household income by age of head of household

Age	Wages & salaries	Self-employed income	Investments	Tax Credits	State Retirement pension & Pension Credit	Other pensions	Disability benefits	Other social security benefit	Other sources
45-54	76	11	2	1	-	2	2	3	2
55-59	68	11	4	-	1	8	3	3	2
60-64	44	12	5	-	9	19	4	5	2
65-74	12	3	6	-	36	32	4	5	2
75-84	4	1	5	-	43	33	5	7	2
85+2	2	-	5	0	47	24	8	11	2
All households	65	9	2	1	6	7	2	5	2

Source: Family Resources Survey 2006/07

The proportion of income from state support, is greater for older people. More than half of all pensioners receive 50 per cent or more of their income from state support compared to 29 per cent of all households. Single women pensioners receive 75 per cent of their income from state support compared to 70 per cent for single male pensioners and 57 per cent for couples²⁴.

Reliance on means-tested benefits increases with age. 45 per cent of pensioners aged 85 or more are in receipt of at least one means-tested benefit, with a third in receipt of Pension Credit and 38 per cent in receipt of Council Tax Benefit. Only 22 per cent of pensioners aged between 65 and 74 are in receipt of at least one means tested benefit with 18 per cent and 25 per cent being in receipt of Pension Credit and Council Tax Benefit respectively²⁵.

Single pensioners are more likely to be in receipt of two or more means-tested benefits with 50 per cent of single male pensioners and 44 per cent of women being in receipt of two or more compared to only 5 per cent of pensioner couples²⁶.

Disabled people are twice as likely to live in poverty as non-disabled people²⁷. Around 30 per cent of disabled people live in relative poverty, as opposed to around 16 per cent of non-disabled people²⁸.

Improvements to means-tested social security benefits over the last ten years have had a positive impact on pensioner poverty²⁹. There were substantial falls in relative poverty of pensioners between 1996–97 and 2004–05, measuring incomes both before and after housing costs³⁰. Around 2.2 million or 20.8 per cent of pensioners in the UK now live in income poverty.

The proportion of pensioners living in low-income households had been falling throughout the last decade, from 29 per cent of all pensioners in 1996/97 to 19 per cent in 2006/07. Single pensioners have benefitted the most with 21 per cent of single pensioners now in low-income households compared 39 per cent in 1996/97. Pensioner couples in low income has fallen from 22 per cent to 17 per cent³¹.

²⁴ ONS (2006) General Household Survey

²⁵ ONS (2006) General Household Survey

²⁶ ONS (2006) General Household Survey

²⁷ Parckar (2008) *Disability Poverty in the UK*, Leonard Cheshire Disability

²⁸ Palmer, MacInnes and Kenway (2006) *Monitoring poverty and social exclusion*, Joseph Rowntree Foundation

²⁹ Brewer et al (2007) *Pensioner poverty over the next decade: what role for tax and benefit reform?* London: The Institute for Fiscal Studies

³⁰ Brewer et al.(2007) *Poverty and inequality in the UK*. London: The Institute for Fiscal Studies

³¹ Department for Work and Pensions (2008) *Households Below Average Income*, London: DWP

However, even allowing for the current pensions reform³² it is now expected that relative pensioner poverty in England will stop falling, after 2007/08, and remain fairly stable until 2017–18³³. Therefore, around one in five of people aged 65 or more will remain in poverty.

Single women pensioners have the lowest incomes, see figure 10, with 48 per cent having an income of less than £200 per week. Pensioners aged 75 and over are more likely to live in low-income households than younger pensioners partly because they are more likely to be single.

Figure 10: Percentage of households with total weekly household income

	Less than £100 a week	£100 but less than £200	£200 but less than £300	£300 but less than £400	£300 but less than £500	£500 or more
One adult male over pension age	2	38	36	13	4	7
One adult women over pension age	4	44	32	13	3	5
Two adults both over pension age	1	8	28	23	14	26
All households	2	12	15	12	10	48

Source: Family Resources Survey 2006/07

Single women pensioners also have the greatest dependency on mean-tested benefits, see figure 11. 30 per cent of single women pensioners are in receipt of Pension Credit compared to 23 per cent on single male pensioners and only 12 per cent of pensioner couples. Similarly single women pensioners have a greater dependency on Council Tax Benefit at 39 per cent compared to 34 per cent and 17 per cent for single male pensioners and pensioner couples respectively. There is little apparent variance in reliance on disability benefits between pensioner groups.

Figure 11: Percentage of pensioners in receipt of state support

	Couples	Single men	Single women
Attendance Allowance	10	12	14
Carer's Allowance	2	-	-
Council Tax Benefit	17	34	39
Disability Living Allowance (care component)	9	6	6
(mobility component)	11	6	6
Housing Benefit	7	25	24
Industrial Injuries Disablement Benefit	2	2	-
Pension Credit	12	23	30
Retirement Pension	97	96	96
War Disablement or War Widow's Pension	2	2	1
Widow's Benefits	-	-	1

Source: Family Resources Survey 2006/07

³² Department for Work and Pensions (2006) *Security in Retirement: Towards a New Pensions System*, London: DWP

³³ Brewer et al (2007) *Pensioner poverty over the next decade: what role for tax and benefit reform?* London: The Institute for Fiscal Studies

The take-up of means tested benefits amongst older people remains low and has reduced over the last 10 years. Around 40 per cent of people entitled to Pension Credit and Council Tax benefit do not receive them. In all, £4.3 billion of income-related benefits goes unclaimed by the pensioners entitled to it. Half of the unclaimed amount relates to Pension Credit. Take up of Pension Credit is particularly poor amongst owner-occupiers at only 50 per cent³⁴.

One of the main welfare benefits which may be a useful indicator of potential need for home adaptations is receipt of Attendance Allowance. This is a non-means tested benefit paid to disabled people over 65 who need help with personal care and attention (eg. washing, dressing, toileting).

Whilst it is important to remember that the take-up rate of Attendance Allowance has been historically low. In all, almost 1.6 million older people are in receipt of Attendance Allowance in the UK. Eighty six per cent of people in Receipt of Attendance Allowance are 75 years old or more, with 40% being aged 85 or more.

Figure 12: Attendance Allowance by Age

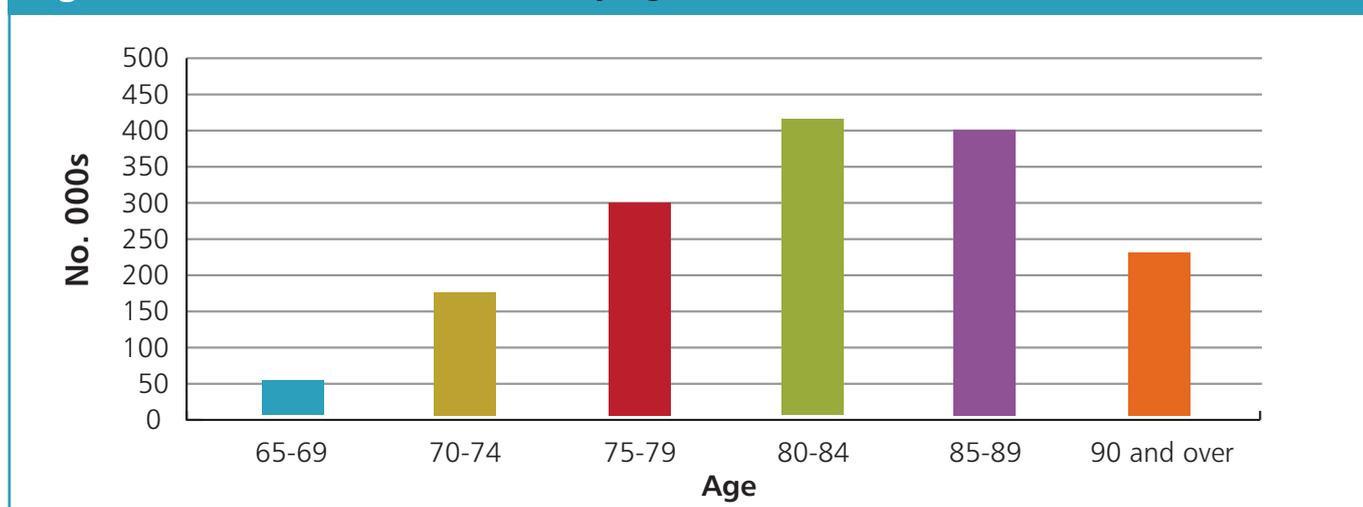


Figure 13: Attendance Allowance - Caseload (000s), Age of claimant and Gender, Feb. 2009

	Total Caseload (000s)	Gender of claimant	
		Female Caseload (000s)	Male Caseload (000s)
Age of claimant			
65 - 69	54.58	30.13	24.44
70 - 74	176.27	103.01	73.26
75 - 79	300.18	188.39	111.79
80 - 84	415.55	278.15	137.4
85 - 89	400.84	287.13	113.7
90 and over	231.18	179.24	51.94
Unknown age	0.04	0.02	0.02
Total	1,578.64	1,066.08	512.56

Source: DWP Information Directorate: Work and Pensions Longitudinal Study.

³⁴ Department for Work and Pensions (2008) *Income related benefit estimates of take up*, London: DWP

The number of people claiming Attendance Allowance is rising in all age groups. The most dramatic increase has been in the 85 – 89 year age group. The number of people aged 85 – 89 years old claiming Attendance Allowance increased by 38 per cent between 2005 and 2009, from 290,690 to over 400,000.

**Figure 14: Attendance Allowance - cases in payment caseload (000s):
Time series by age of claimant**

	Total	Age of claimant						
		Unknown age	65 - 69	70 - 74	75 - 79	80 - 84	85 - 89	90 & over
Feb-03	1,312.75	0.26	43.89	145.07	291.24	365.09	277.56	189.64
Feb-04	1,363.81	0.03	48.51	149.83	294.06	395.06	276	200.32
Feb-05	1,411.33	0.04	49.73	153.5	294.49	409.36	290.69	213.52
Feb-06	1,460.57	0.06	51.12	157.23	293.31	411	325.04	222.81
Feb-07	1,503.85	0.07	51.51	163.14	292.13	412.96	352.1	231.94
Feb-08	1,541.58	0.03	52.92	168.41	296.01	413.72	378.95	231.55
Feb-09	1,578.64	0.04	54.58	176.27	300.18	415.55	400.84	231.18

Savings

There has been little change in the savings levels of pensioners and households with one or more sick or disabled adults under pension age between 1998/99 and 2006/07. The percentage of pensioner couples with savings below £1,500 was 30 per cent in 1998/99 and 29 per cent in 2006/07. The figures for single male pensioners and single women pensioners were 45 per cent and 50 per cent in 1998/99 and 42 per cent and 48 per cent in 2006/2007. For households with one or more sick or disabled adults under pension age 61 per cent had less than £1,500 in savings in 1998/99 and the percentage had increased in 2006/07 to 63 per cent³⁵.

³⁵ Office for National Statistics (2008) Family Resources Survey (FRS) 2006/07, London: ONS

Figure 15: Percentage of groups with amount of savings and assets

	Pensioner couple		Single male pensioner		Single women pensioner		Households with one or more sick or disabled adults under pension age	
	2006/07	1998/99	2006/07	1998/99	2006/07	1998/99	2006/07	1998/99
No savings	14	16	20	30	23	32	34	39
Less than £1,500	15	14	22	15	25	18	29	22
£1,500 but less than £3,000	5	8	6	10	7	10	6	6
£3,000 but less than £8,000	14	14	16	15	16	16	10	11
£8,000 but less than £10,000	4	3	3	4	3	4	2	3
£10,000 but less than £16,000	10	9	9	7	8	6	5	6
£16,000 but less than £20,000	5	5	4	3	3	3	2	2
£20,000 or more	32	31	19	17	15	12	12	11

Family Resource Survey 2006/07

Adaptations - estimating the scale of need

It is estimated that the number of older disabled people in England will double from 2.3m in 2002 to 4.6m by 2041³⁶.

In the 2006-7 Survey of English Housing³⁷ reported that 6 million households include an occupant with a disability or serious medical condition. Of these, 1.4 million individuals reported having a medical condition or disability that resulted in them requiring specially adapted accommodation. 85% were over 45 and about half lived in owner-occupied accommodation. 22% reported that they lived in a home which was not suitable for coping with their medical condition or disability. It is noteworthy that there has been a 60% increase in 5 years in the number of over 85s who report a disability or serious medical condition.

Children, aged 0 to 15 years old, were the highest percentage, 46 per cent, whose accommodation was reported to be unsuitable and the older the person the more likely they were to think that their accommodation was suitable. Therefore, these figures may mask a significant number of older people who report that their accommodation is suitable even where objectively it isn't. Even so there were at least 145,000 people aged 65 or more whose accommodation was considered to be unsuitable due to disability/health reasons.

³⁶ Wittenberg, R. et al (2006) *Future demand for long term care 2002-2041: Projections of demand for older people in England* PSSRU Discussion Paper 2330

³⁷ CLG (2009) *Housing in England*, London: CLG

If (and this is a highly qualified if) all of these unsuitable housing situations could be addressed at the cost of an average Disabled Facilities Grant (value c. £6,600) the total cost would amount to £975 million (compared with the estimated annual expenditure on DFG of about £250 million).

Just under 25 per cent of people with a serious medical condition or disability that required specially adapted accommodation living in social housing thought that their accommodation was unsuitable. A higher proportion of private renters, 28 per cent, thought so, whilst the lowest number, 21 per cent, of owner-occupiers thought so. However, because of its dominance in English housing, 147,000 owner-occupiers thought that their accommodation was unsuitable.

Figure 16: Suitability of accommodation for persons with a serious medical condition or disability, by age of individual and by tenure in England 2006/07

Age of person	Number requiring specially adapted accommodation (1)	Of (1) number whose accommodation is suitable 000s	Percentage in suitable/unsuitable accommodation	Of (1) number whose accommodation is unsuitable 000s
0-15	44	24	54/46	20
16-24	34	25	74/26	9
25-44	136	94	69/31	42
45-64	408	308	76/24	98
65-74	256	203	79/21	54
75-84	370	297	80/20	74
85 and over	160	141	88/12	19
Total	1,408	1,092	78/22	310
Tenure of household				
All owner occupiers	718	571	79/21	151
All social renters	594	452	76/24	143
All private renters	96	69	72/28	27
Total	1,408	1,092	78/22	310

Source: Communities & Local Government, Survey of English Housing, 2007-2008

The future need for adaptations amongst an ageing population will depend on the health conditions experienced by future older people. It may be that as people live longer they enjoy a healthier life with more years free of infirmity and disability for longer than the current generation.

There is some indication that the prevalence of chronic disability has declined alongside increases in life expectancy³⁸. However, there is still a significant gap between life expectancy and healthy life expectancy.

³⁸ Office for National Statistics (2008) 'Health expectancies in the UK, 2004', Health Statistics Quarterly, vol. 37, London: Office for National Statistics

Figure 17: Life expectancy, and disability-free life expectancy in England at birth and aged 65 by gender 2004

	Life expectancy	Disability-free life expectancy
At birth		
Men	76.9	62.6
Women	81.2	64.2
Aged 65		
Men	16.8	10.1
Women	19.6	10.8

Source: Office for National Statistics

As shown in Figure 17 a person born in 2004 has a life expectancy of 76.9 years, for men, and 81.2 years for women. People who had reached the age of 65 in 2004 had a life expectancy of 16.8 years for men and 19.6 years for women.

Men born in 2004 can expect 62.6 years of life free from limiting long-standing illness or a disability and women 64.2 years. However, men already 65 in 2004 are likely to experience 10.1 years free from limiting long-standing illness or a disability and women 10.8 years. Therefore, amongst current disability-free older people, 75 years or more will be a key age for adaptation needs.

Whilst many older people remain fit and active well into older age, for a very significant minority decline in health and mobility in later life is a reality. As has been demonstrated, whilst years have been added to life, these are not yet all extra healthy years, particularly for lower income groups. Not only is there a significant social inequality in life expectancy, but also in healthy life expectancy. A number of studies³⁹ have quantified some of the links between health, age and inequality. It was found that one in five of those aged 50 years and over, and 2 in 5 of those aged 80 years and over, reported difficulties with one or more aspects of basic self care – such as washing and dressing – and mobility. Other studies demonstrated a ‘social gradient’ in health; the lower a person’s social position, the greater the level of ill health and loss of physical function (REF IFS above). There is a particularly large geographical variation for disability free life expectancy. For men there is an 18 year difference between the worst area (Easington) and the best (Hart), and 16.4 yrs for women (Merthyr Tydfil vs Elmbridge)⁴⁰.

Banks et al⁴¹ concluded that at older ages an increasing proportion of life expectancy is spent without good health. As shown in Figure 18, men aged 50–54 are estimated to spend 21 per cent of their remaining life with a disability, with 27 per cent for women and in the case of limiting long-standing illness 35 per cent and 36 per cent respectively.

³⁹ Institute for Fiscal Studies (2002) *English Longitudinal Study of Ageing*, London: IFS

⁴⁰ Office for National Statistics (2008), *Disability Free Life Expectancy by Local Authority, England and Wales, 2001* London: ONS

⁴¹ Banks et al (ed) (2008) *Living in the 21st century: older people in England: The 2006 English longitudinal study of ageing (Wave 3)*, London: The Institute for Fiscal Studies

Figure 18: Estimated time spent with degree of disability for people aged 50- 54

	Men	Women
Fair or poor self-rated health	8.2	9.1
With a limiting long-standing illness	10.3	12.1
With a disability	6	8.9
<i>Source: Institute for Fiscal Studies</i>		

Summary

Old age will continue to be a significant factor in the need for adaptations for the foreseeable future. By 2036 there will be 17 million people aged 65 or more and 9 million people aged 75 or more. On current trends 33% (5.6 million) of people over 65 and 50 per cent (4.5 million) of people over 75 will experience a limiting long term illness.

Currently 18 per cent of people aged 75 -84 with a serious medical condition or disability consider their home to be unsuitable for their needs. Based on current population projections, this would mean in 2036, 810,000 people aged 75 or more would be living in properties that they consider unsuitable for their needs. The vast majority (around 70 per cent) 567,000 will be living in owner-occupied properties.

Chapter 2:

Financial assistance for home adaptations

There is undoubtedly a large and growing private sector adaptations market for people who can meet the costs from savings and income. However, as the previous section has shown, a significant proportion of older people who need home adaptations have limited financial resources. A system of state assistance for those in need has thus evolved over the years.

In this chapter we consider past and present financial assistance with home adaptations.

Types of state assistance

There are a number of differing potential sources of state assistance with home adaptations. This includes Disabled Facilities Grants, Social Services funding, local housing authorities' discretionary payments, local housing authority stock expenditure, Registered Social Landlords meeting the costs and payments under Community Care legislative powers.

However, this array can create more uncertainty for potential applicants rather than choices. In the face of demand exceeding financial resources, different statutory bodies can seek to defend their pressured budgets by trying to pass responsibility to another body⁴².

Disabled Facilities Grants

The most commonly known source of state funding for home adaptations is probably the Disabled Facilities Grant (DFG).

DFGs were first introduced in 1990 under the Local Government and Housing Act 1989⁴³. Prior to 1990 assistance may have been available through an improvement grant⁴⁴.

The legislative provision for DFGs is now the Housing Grants, Construction and Regeneration Act 1996⁴⁵. This places an obligation on local housing authorities to provide assistance with mandatory adaptations which are considered both necessary and appropriate for the disabled occupant of a property and reasonable and practicable in respect of the particular premises, subject in many cases to a test of financial resources.

In order to attract grant aid the proposed adaptation works must be eligible under Section 23 of the 1996 Act. This provides for a wide range of possible adaptations and the Department for Communities and Local Government's (CLG) good practice guide, *'Delivering Housing Adaptations for Disabled People'* states⁴⁶,

"It is the Secretary of State's view that the provisions of Section 23(1)(a)-(k) provide the flexibility to enable authorities to give help for the full range of adaptations to cover all the circumstances which may arise."

⁴² Frances Heywood with Gavin Smart (1996) *Funding Adaptations – The need to cooperate*, London: Policy Press

⁴³ The Local Government & Housing Act 1989, Part VIII

⁴⁴ Housing Act 1985, Part XV

⁴⁵ Part 1 implemented 17th December 1996

⁴⁶ Department for Communities and Local Government (June 2006) Paragraph 28, Annex B. *Delivering Housing Adaptations for Disabled People: A Good Practice Guide*, London CLG

Whilst there are other possible sources of funding for adaptations the obligation to provide DFGs to eligible applicants for eligible work is a statutory duty on local housing authorities which exists irrespective of any other potential source of funding.

The current maximum amount of grant available for a DFG is £30,000 in England. DFGs for the benefit of a child or qualifying young person are not means-tested⁴⁷. The definition of disabled for the purposes of DFGs is broad and includes anyone who is registered or registerable as disabled with their local Adult Social Care or Children & Young People's Services⁴⁸.

Owner-occupiers, tenants (including some licensees), occupiers of caravans and some houseboats, and private landlords are all eligible to apply for a DFG⁴⁹.

Until 2008/09 60 per cent of funding for DFGs for private sector housing came from central government by way of subsidy with the local authority required to provide 40 per cent matched funding. From April 2008 local housing authorities were no longer required to provide matched funding.

Adult Social Care and Children and Young People's Services

Adult Social Care and Children and Young People's Services, often still referred to as Social Services, can also assist with adaptations either exclusively or often assisting with meeting a DFG contribution or to help meet the costs of works beyond the DFG maximum grant.

Section 2 of the Chronically Sick and Disabled Persons Act 1970 places a duty on social services authorities to arrange practical assistance in the home, and any works of adaptation or the provision of additional facilities designed to secure greater safety, comfort or convenience. Social Service authorities may discharge their duties by the direct provision of equipment or adaptations, by providing loans, or by providing a grant.

The Children Act 1989 provides that the local authority should provide services designed to minimise the effect on disabled children living within their area, of their disabilities and to give such children the opportunity to lead lives which are as normal as possible⁵⁰.

The Carers and Disabled Children Act 2000 provides powers for the local authority to provide any services which in its view will help the carer of a disabled child carry out their caring role⁵¹.

Local housing authorities' discretionary powers to provide assistance with adaptations

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002⁵² gives local housing authorities power to provide assistance with adaptations.

Assistance can be provided for a wide range of purposes including; small-scale adaptations, a rapid response for urgent adaptations, top-up assistance to mandatory DFG and assistance with the acquisition of other accommodation

The local housing authority must publish a policy setting out what assistance it will make available⁵³. When providing assistance, the local authority must set out in writing, the terms and conditions that apply and must take into account a person's ability to afford any repayment or contribution towards the costs.

⁴⁷ Since 31st December 2005, Regulation 5 Housing Renewal Grant Regulations 1996 as amended

⁴⁸ Section 100, Housing Grants, Construction and Regeneration Act 1996

⁴⁹ Section 19, Housing Grants, Construction and Regeneration Act 1996

⁵⁰ Schedule 2, paragraph 6 of Children Act 1989.

⁵¹ Section 2, The Carers and Disabled Children Act 2000

⁵² Article 3, S.I. 2002 1860

⁵³ Article 4, S.I. 2002 1860

Expenditure on local authority stock

Local housing authorities can require their own tenants to seek adaptations through the DFG system. This means that the test of financial resources would apply, as would the maximum grant limit. However, expenditure on local authority stock can not be met from the central government subsidy for DFGs. The whole amount has to come from the local authority.

Many local authorities chose to provide adaptations to their own stock outside of the DFG process. The good practice guide acknowledges that this can be appropriate as long as this does not put the tenant in a worse position than they would be in relation to the amount of assistance available, or the length of time taken to provide the adaptations⁵⁴.

Local authorities can fund adaptations to their own stock through the Housing Revenue Account (HRA) or from their capital programme. The HRA is essentially the income and expenditure account relating to the authority's housing stock. The largest source of income to the HRA is from rents paid by council tenants. Adaptations on local authority stock can also be funded from the Single Housing Investment Pot.

Registered Social Landlords

Some registered social landlords (RSLs – includes Housing Associations) provide adaptations to their own stock for the benefit of their tenants. However, this can vary widely between different RSLs and depend on the scale of the adaptations required. Unfortunately, there is little information available on the total value of adaptations funded by RSLs.

Issues

The take-up of DFGs by tenants of RSLs has raised concerns in relation to what is an appropriate adaptation for the RSL to fund as a good landlord and what is best left to the local housing authority under its statutory duty. The CLG's good practice guide encourages local housing authorities to make a local formal agreement with the major RSLs in their area⁵⁵.

The Community Care (Delayed Discharges etc.) Act 2003

Under Part 2 of the Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003 any community care equipment and minor adaptations that cost up to £1,000 that are needed for the purposes of assisting with nursing at home or aiding daily living should be provided free of charge.

This may now be achieved through an Integrated Community Equipment Service (ICES). ICES are partnerships between Health and Social Care Services designed to better co-ordinate the provision of equipment and minor adaptations to promote intermediate and community care⁵⁶.

⁵⁴ Paragraph 3.21, *Delivering Housing Adaptations for Disabled People: A Good Practice Guide*, Department for Communities and Local Government, June 2006 and Report on Investigation into Complaint No 97/C/1096, 30 April 1998.

⁵⁵ Department for Communities and Local Government (2006) Paragraph 3.23, *Delivering Housing Adaptations for Disabled People: A Good Practice Guide*, London: CLG

⁵⁶ *Guide to Integrating Community Equipment Services*, Department of Health Publications, First published March 2001

Community equipment includes, but is not limited to:

- Home nursing equipment, such as pressure relief mattresses and commodes.
- 'Equipment for daily living', such as children's special seating, shower chairs, raised toilet seats, teapot tippers and liquid level indicators.
- Minor adaptations, such as grab rails, lever taps, improved domestic lighting, and improving the use of contrasting colours.
- Ancillary equipment for people with sensory impairments, such as flashing doorbells, low vision optical aids, textphones and assistive listening devices.
- Equipment for short term loan, including wheelchairs but not those for permanent wheelchair users, as these are prescribed and funded by different NHS services.
- Communication aids for people who are speech-impaired.
- Telecare equipment such as fall alarms, gas escape alarms, health state monitoring and 'wandering detectors' for people who are vulnerable.

Approximately 10 million pieces of equipment are issued annually to 3.5m users in England and Wales⁵⁷.

A new commercial model of equipment on prescription is being developed and piloted but this is operating within the existing legislative framework.

Trends in state assistance with adaptations

The CLG collate and publish data for the take-up of DFGs in England. Figures are available for each financial year since the introduction of DFGs in 1990.

The Department of Health collates and publishes data on local authority expenditure on Adult Social Care and Children & Young People's Services. Figures are available for each financial year since 1994/95. However, the classifications used for expenditure and the way the figures are reported has changed over the years notably for years 1998/99 and 1999/00. Therefore, some caution must be exercised in comparing figures for those years.

Disabled Facilities Grants

It is likely that following implementation in July 1990 it took some time for DFG funded works to progress through the administrative and building process before grants were actually paid out by local authorities. In 1991/92 only 13,741 DFGs were paid by local housing authorities in England. These grants totaled £43.3 million, giving an average value per grant of £3,156. By 1996/97, the last year under the 1989 legislation⁵⁸, the number of DFGs had reached 20,060 with a value of £92.2 million representing an average value of £4,598. This represents a 46 per cent increase in the number of DFGs paid and in the average value, whilst the total amount paid out increased by 112 per cent.

Following the implementation of the 1996 legislation the increase in throughput and value of DFGs continued, see figure 2.

⁵⁷ Donnelly B (2009) *Community Equipment Services: The need for minimum standards*

⁵⁸ 1989 legislation repealed on 17th December 1996

The two largest year on year increases occurred in 2002/2003 and 2003/2004. In these years the number of grants paid increased by 4,590 and 7,070 respectively. The increase in cost in both years was almost exactly the same at around £28.5 million. These two years coincide with the introduction of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 in July 2002 and full implementation in July 2003. The increase in numbers of DFGs in these years might be caused by a number of smaller jobs being processed as DFGs which previously could have been dealt with under the then Home Repair Assistance⁵⁹.

The Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003 came into effect in June 2003 providing for equipment and adaptations costing up to £1,000 to be provided free of charge. From then on the number of DFGs for less than £1,000 should be very few. And this may have contributed in part to a £900 increase in the average value of DFG in 2005/06 compared to 2004/05.

By 2007/08, the most recent year that figures are available for⁶⁰, over 38,000 DFGs were paid with a total value of £250 million, with an average grant value of £6,559. This represents a 177 per cent increase in the number of DFGs paid, a 477 per cent increase in the total value of grants and a 108 per cent increase in the average value, since 1991/92.

Whilst the £250 million paid out as DFGs in 2007/08 is clearly of major assistance to the beneficiaries of the adaptations undertaken, and in many cases their carers, by comparison it is estimated that £250 million was the amount of underpaid disability living allowance to existing recipients in Britain in 2007/08⁶¹.

Figure 1: Total value, number and average value of DFGs in England

Year	Total value 000s	Number of Grants	Average value 000s
1991/92	43,364	13,741	3.156
1992/93	64,960	16,126	4.028
1993/94	74,915	18,472	4.056
1994/95	90,533	21,866	4.140
1995/96	97,532	23,380	4.172
1995/96	92,230	20,060	4.598
1996/97	100,410	21,990	4.566
1997/98	107,100	22,180	4.829
1998/99	116,530	22,720	5.129
2000/01	130,720	24,730	5.286
2001/02	145,120	25,510	5.689
2002/03	173,780	30,100	5.773
2003/04	201,980	37,170	5.434
2004/05	210,310	38,550	5.456
2005/06	221,340	34,940	6.335
2006/07	232,830	37,270	6.247
2007/08	250,100	38,130	6.559

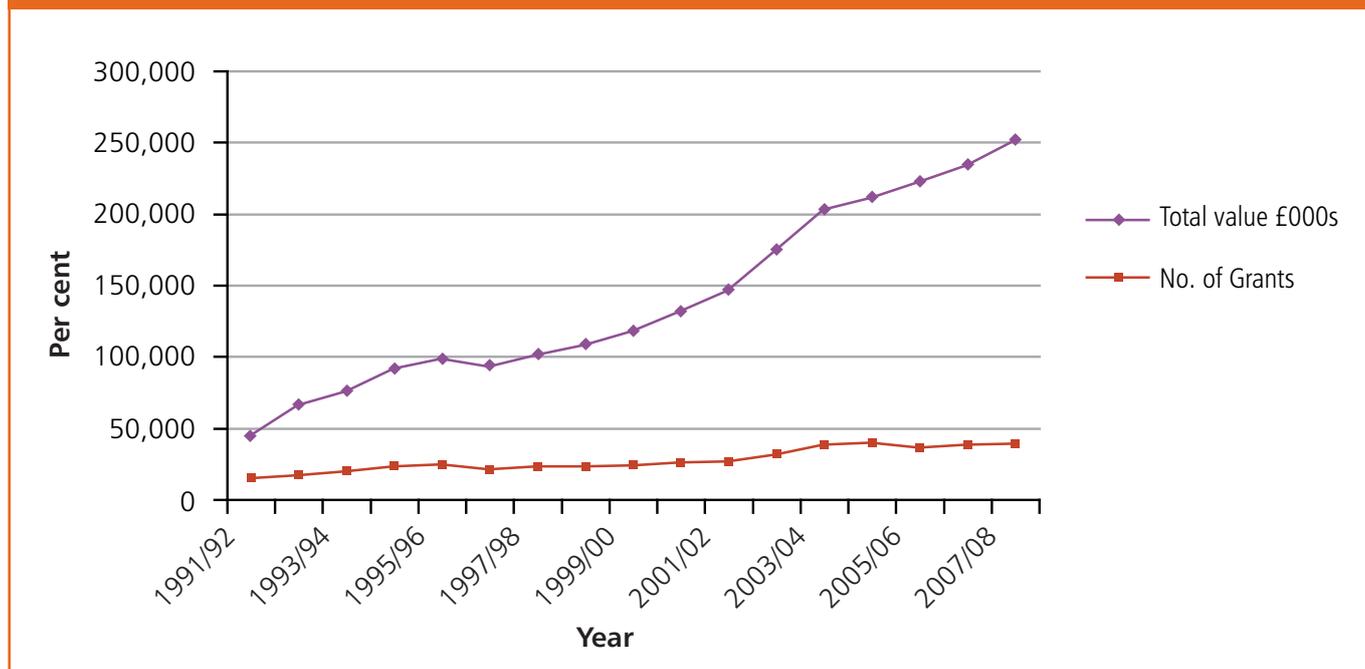
Source: Department for Communities and Local Government

⁵⁹ Home Repair Assistance could be paid for adaptations up to £5,000 to people in private sector housing and in receipt of means-tested benefits

⁶⁰ Published January 2009

⁶¹ Department for Work and Pensions (2008) Fraud and Error in the Benefit System: April 2007 to March 2008. Note figure only covers recipients who are getting less than they are entitled to, and does not include those who are entitled to benefits but who do not apply, or whose applications are not awarded when they should be.

Figure 2: Number and value of DFGs



In February 2008, the CLG announced further increases to the central government support to DFGs⁶². These proposals saw the DFG specified capital grant increase to £146 million in 2008-09. It will increase further to £156 million in 2009-10 and then to £166 million in 2010-11, representing an increase of 31 per cent in funding over 3 years.

If local authorities continue to match fund at 40 per cent, a cost of £110 million, this would give a total nationwide budget for DFGs of £277 million. At the current average this would assist around 42,000 people. However, as local housing authorities are no longer required to provide matching funding the budget could theoretically drop to just £166 million which at the current average would assist around only 25,308 people, representing a return to 2001/02 levels.

DFGs, however, represent just a proportion of the expenditure on adaptations. In 1996, Heywood and Smart⁶³ identified that the introduction of DFGs in 1990 did not lead to significant growth in overall spending on adaptations in England. They estimated that expenditure in 1994 was in fact only 3 per cent above 1989 levels.

The other sources of funding; Housing Revenue Account for local authority stock, Housing Association funding, Social Services and Health funding, made a significant contribution to funding adaptations. Heywood and Smart found that in 1993/94 whilst 86 per cent of capital costs of adaptations came from housing budgets, in fact 54 per cent came from council house departments. This reflected the relative income levels, degree of disability and age profiles of occupiers of local authority stock at that time. It is likely with increasing stock transfer of local authority housing a significant proportion of those ex-council tenants are now in housing association properties and therefore eligible to apply for DFGs.

⁶² Department for Communities and Local Government (2008) *Disabled Facilities Grant – The Package of Changes to Modernise the Programme*, London: CLG

⁶³ Heywood F & Smart G (1996) *Funding Adaptations – The need to cooperate*, Policy Press

In the 2005 report, 'Reviewing the disabled facilities grant programme'⁶⁴, Heywood et al. estimate that in the year 2003/04 only 19.3 per cent of completed adaptations were wholly funded by DFG. However, the significance of the DFG increases as the cost of the adaptations increases. Since 2003 minor adaptations to aid daily living should be provided for free⁶⁵. Therefore DFGs play little or no part in providing adaptations at this level⁶⁶. Heywood et al. estimated that for costs between £1,001 and £5,000 DFG became the largest source of funding at 41 per cent. The other funding was made up of; Social Services 29 per cent, Housing Revenue Account 27 per cent, Others 3 per cent. For works costing between £5,001 and £25,000 the DFG became more dominant at 71 per cent, Housing Revenue Account 19 per cent, Local Authority Capital Grant 9 per cent and others (including Social Services) 1 per cent. With the then maximum DFG grant limit of £25,000 the funding pattern changed again where costs exceeded the maximum limit. In these cases 61 per cent of funding came from DFG, 18 per cent from Housing Revenue Account, 17 per cent from Social Services and 4 per cent from Local Authority Capital Grant.

Social Services Expenditure

In 2007-8, Social services expenditure on older people in 2007-8 was £7 billion. The cost of residential care placements for people aged 65 or over was £3.4 billion⁶⁷. Average annual care home placement expenditure for people over 65 years was just over £21,000 pa.

Figure 3: Social Services Authorities Expenditure on Adaptations and Equipment

Year	£000s
1994/95	64,900
1995/96	77,780
1996/97	76,940
1997/98	77,714
1998-99	67,235
1999-2000	74,953
2000-2001	120,481
2001-2002	137,280
2002-2003	143,981
2003-2004	164,852

Source: Department of Health

Figure 3 shows the expenditure by social services authorities in England on adaptations and equipment from 1994/95 to 2003/2004. The figures for 1998/99 and 1999/00 do not include Children's services.

Overall there has been a 154 per cent increase from £64.9 million in 1994/95 to £164.9 million in 2003/2004.

In 2003/2004, the latest year for which figures are available, equipment and adaptations in Children's Services represented 7 per cent of the total. Older people aged 65 or over represented 46 per cent and adults under 65 years represented 48 per cent.

The adults under 65 years can be further broken down with the vast majority of the expenditure being for people with physical disability or sensory impairment, 46 per cent of the total. Adults with learning disabilities or mental health needs represented less than 2 per cent of the total.

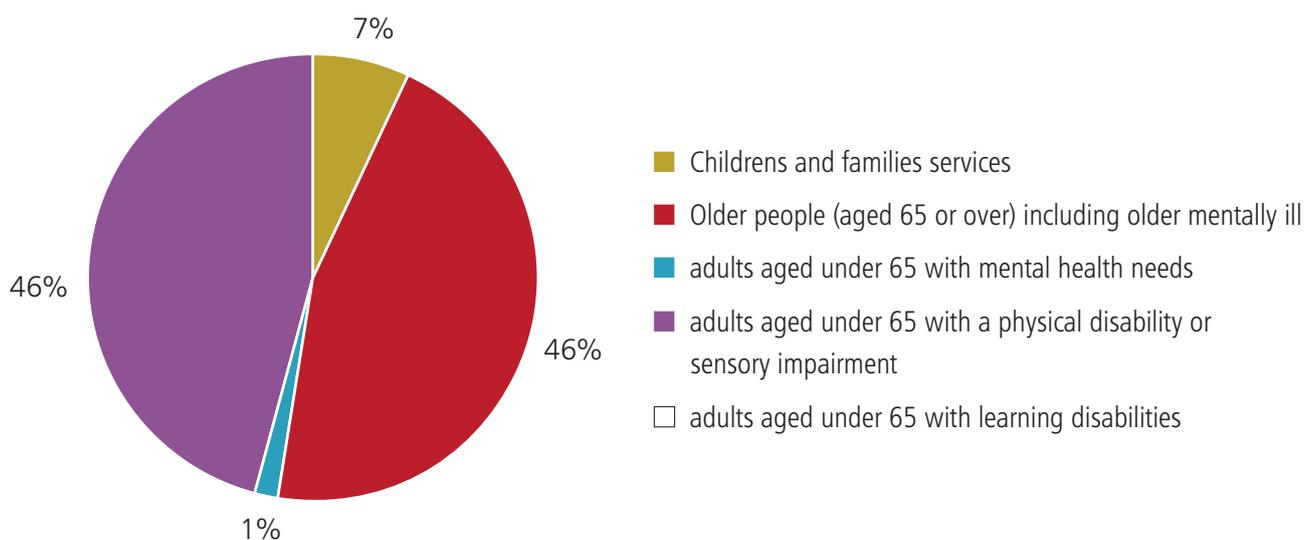
⁶⁴ Heywood et al., (October 2005) *Reviewing the disabled facilities grant programme*, London: Office of the Deputy Prime Minister

⁶⁵ Part 2 of the Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003

⁶⁶ Heywood et al. estimate 1 per cent

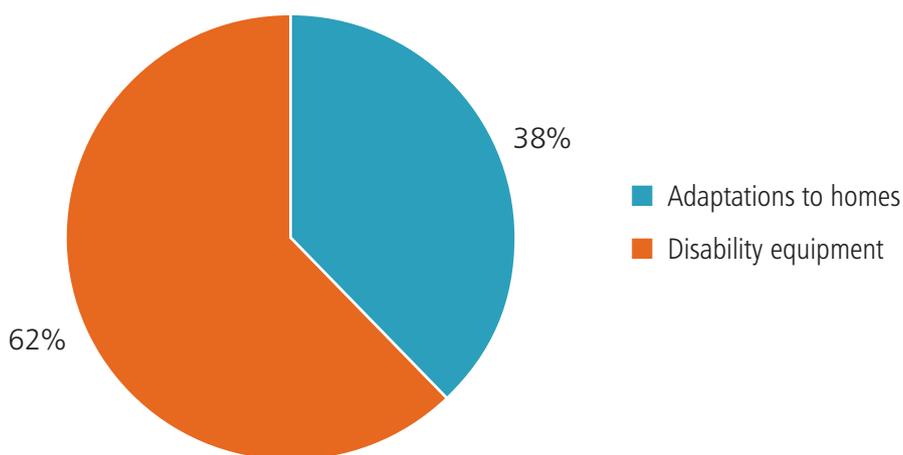
⁶⁷ Local Government Association and ADASS (2009) *Adults' Social Services Expenditure 2008-9*, London: LGA

Figure 4: Social Services expenditure on equipment and adaptations 2003/04



The proportion of expenditure on equipment and on adaptations is only available for the four years from 1994 to 1998 and does not include children's cases. However, during this time 62 per cent of expenditure was on disability equipment and 38 per cent on adaptations to homes, see figure 5. For elderly people, people with a physical disability and/or sensory impairment and people with learning disabilities the proportion of expenditure on disability equipment was between 60 - 70 per cent. Whilst in the case of people with mental health needs 95 per cent of expenditure was on equipment needs.

Figure 5: Social Services expenditure on adaptations and equipment 1994-1998



Use and potential use of equity release for adaptations

Various forms of equity release products, whereby homeowners raise capital and/or income from the equity in their home, have been available in one form or another for over 40 years⁶⁸.

Commercial equity release schemes such as the unsafe schemes, including investment bond schemes and roll-up plans introduced in the late 1980s and the shared appreciation mortgages of the 1990s, have contributed to an apprehension and mistrust of equity release schemes for many older people and their families.

Whilst the Royal Commission on Long Term Care⁶⁹, concluded that the large-scale release of housing equity was not a practical proposition to pay for long-term care, it did consider that:

*“there might be scope for small scale release to help with the costs of aids and adaptations, and that such an initiative could complement existing budgets for aids and adaptations.”*⁷⁰

A significant amount of effort by providers and intermediaries has been spent over the last twenty years in trying to design and encourage the take up of equity release products by older home-owners particularly to carry out house repairs and improvements⁷¹.

Most studies have identified similar barriers to older people taking up equity release products⁷². These can be summarised as:

- Disproportionate set-up costs such as surveys and legal costs and administration, especially if the amount to be released is relatively small. This is particularly relevant to adaptations. Average DFG is around £6,000 and the set up costs for a loan can approach £1,000.
- Relative poor value for money of many schemes compared with for example, downsizing.
- Impact of equity release for people reliant on means-tested social security benefits.
- A lack of impartial, independent, specialist advice and assistance with assessing the cost implications and relative merits of available schemes.
- A reluctance of older people who are mortgage free to take up new debt.
- Lack of commercial products available to people of working age.
- Widespread mistrust of equity release products and some providers.
- Perceived failure of providers to remedy the failures in past schemes.
- Inherent uncertainty in some schemes based on future capital values or in the event of early death.

⁶⁸ Appleton N, (2003) *Ready, steady... but not quite go: Older home owners and equity release: a review*, York: Joseph Rowntree Foundation.

⁶⁹ The Royal Commission on Long Term Care (1999) *With Respect to Old Age: Long Term Care - Rights and Responsibilities*, London: The Stationery Office

⁷⁰ Recommendation 8.6, Paragraph 23 a

⁷¹ See for example: *Failure: Equity release*, Joseph Rowntree Foundation, 1998 and *Equity release shared ownership: A new approach to helping older home-owners in poor condition housing*, Nigel King Associates and Philip Leather, Joseph Rowntree Foundation, 1995

⁷² For example: *Obstacles to equity release*, Rachel Terry and Richard Gibson, Joseph Rowntree Foundation, 2006 and *Ready, steady... but not quite go Older home owners and equity release: a review*, Nigel Appleton, Joseph Rowntree Foundation, First published 2003.

- Concern amongst the biggest high street banks and building societies that their reputations could be damaged by adverse publicity about equity release deals done by others in the past.
- Further loss of confidence in financial institutions and reduced confidence in the housing market as a result of the banking crisis and world recession.

Whilst the Government has introduced greater regulation of equity release schemes, Terry and Gibson⁷³ conclude that the,

“Regulation of the sales process by the Financial Services Authority (FSA) does not appear to have been followed by increased demand.”

Research published by the Department for Communities and Local Government (CLG) found that⁷⁴:

“Overall, attitudes to their homes and debt suggest that vulnerable home owners are inclined to get repairs done if they can afford it, because of the importance of their homes to them, but borrowing money and getting into debt were last resorts and counter intuitive, the prevalent culture appearing to be ‘never a lender nor a borrower be’.”

A key aim of the Government’s strategy under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002(RRO) was to encourage a greater use of loan funding and to help lever in more private investment in housing renewal. In 2005, Groves and Sankey⁷⁵ found that,

1. “Securing private finance to consolidate grant aid has generally been a very slow process and few authorities have so far made the arrangements work.”

However, there was evidence of local authorities making greater use of their own resources by way of loans or a mixture of loans and grants including relocation packages, top-ups for mandatory DFGs exceeding the then £25,000 maximum.

The CLG research also identified that the loan schemes that had developed under the RRO were heavily reliant on public funds rather than private finance and argued that:

“Arguably, they are operating on an unsustainable basis both because of short planning horizons and because the scale of operations is not yet sufficient to lever in long term private finance.”

The National Strategy for Housing in an Ageing Society, published in February 2008⁷⁶, reconfirmed the Government’s view that equity release should play a greater role in housing solutions for older people:

⁷³ Terry R and Gibson R (2006) Obstacles to equity release, York: Joseph Rowntree Foundation, 2006

⁷⁴ Department for Communities and Local Government (2007) Loan Finance to improve housing conditions for vulnerable owner-occupiers, London: CLG

⁷⁵ Groves and Sankey (2005) Implementing new powers for private sector housing renewal, York: Joseph Rowntree Foundation

⁷⁶ Department for Communities and Local Government (2008) *Lifetime Homes, Lifetime Neighbourhoods A national strategy for housing in an ageing society*, London: CLG

“Many older people face additional financial barriers to improving or adapting their homes. Some may have little disposable income, even if they have equity in their homes – the “asset rich but income poor”. For a proportion of these people, equity release may be an option, through a loan scheme, or through moving on to a smaller property which is easier to maintain and cheaper to keep warm, particularly in the high property value areas of London and the South East.”

The strategy identified that around 90 per cent of all older households living in South East Region have £120,000 or more equity in their homes, of these, 52 per cent have £230,000 or more. Whilst in the Northern Regions, 38 per cent of all older households have £120,000 or less equity in their homes.

The Institute for Public Policy Research estimated that in 2002/03 a million older home-owners had housing assets worth more than £100,000, but were dependent on means-tested benefits⁷⁷.

By 2003, they estimated that 20 per cent of retired people living in poverty own more than £100,000 of housing wealth⁷⁸. However, they concluded that:

“the potential of housing wealth to meet other needs is relatively restricted. A house provides rent-free living in retirement, but, for the vast majority of homeowners, a house should not be thought of as a pension.”

And also:

“The case for government support of equity release is weak, and releasing housing wealth will remain expensive.”

The Nationwide Building Society estimates that the value of houses has fallen 16.6 per cent in the 12 months to January 2009 and that the average value of a house is now £150,501 compared with £184,000 at the end of 2007⁷⁹. The reduction in house values over the last 18 months will obviously affect the value of equity in people’s properties. However, the lack of cash liquidity within the banking system now presents a new and substantial barrier to equity release.

Nevertheless, in December 2008, The Department for Communities and Local Government stated that in the coming year (2009-10)⁸⁰:

⁷⁷ Sodha S. (2005) *Housing-rich, Income-poor: the Potential of Housing Wealth in Old Age*, London: Institute for Public Policy Research

⁷⁸ Maxwell D & Sodha S (2006) *Housing Wealth: First timers to old timers*, London: Institute for Public Policy Research

⁷⁹ It is worth bearing in mind that the average house price at the end of 2000 was £81,628

⁸⁰ See ref 81

“We will continue to work with the Government Offices, local authorities, home improvement agencies and other agencies to publicise and expand the range of products and geographical coverage of regional loans schemes available in the public sector to finance home improvements for vulnerable householders. We will consider how emerging good practice including the regulatory framework can be shared and disseminated to accelerate the availability and take up of loans products.”

It is also possible to draw a distinction between equity release for repairs and improvements and adaptations, as adaptations are far less likely to result in any increase in the market value of the premises. In some cases a reduction is likely. In addition adaptations funded through a DFG are targeted at the most vulnerable by virtue of the assessment of what adaptations are necessary and appropriate compared to those which are merely desirable and in most cases through the test of financial resources.

Heywood et al⁸¹ suggested that there could be a role for loans for adaptations to help with contributions to DFG or to those who are happy to self-fund if it enables them to get the adaptation more quickly or because they would not qualify for a grant. However, they concluded that:

“The use of loans more widely as an additional option to grants is a strategy that increases the risk of excluding low income and vulnerable households. And any move to substitute loans for grants would be highly inappropriate.”

⁸¹ Heywood et al (2005) *Reviewing the disabled facilities grant programme* London: Office of the Deputy Prime Minister

Chapter 3:

Emerging issues

There is an ongoing rise in the need for home adaptations for the range of reasons explored in the earlier chapters. This increase has not been matched by equivalent growth in state assistance. In this chapter we consider the issues that are emerging as a consequence.

Issue: Disabled Facilities Grant

Two of the key issues with regard to older people not being able to obtain timely help with essential home adaptations through disabled facilities grants are i) delays in the system of delivery and ii) inadequate budgets. This is sometimes resulting in months, if not years, of waiting for help.

One of the main criticisms of the DFG grant process is of system delays. Heywood et al⁸² identified a number of key factors which can cause delays in receiving assistance by way of a DFG, often with serious consequences:

- the wait for occupational therapist assessment;
- when the local authority capital budget for adaptations is already fully committed;
- when applicants are unable to raise their contributions as assessed by the test of resources;
- when the maximum grant is too low to meet the cost of the work needed, or
- by a shortage of builders to carry out the work.

Other issues include:

- Delays and problems arising because two different local authorities, or departments within an authority, are involved in the processing. The occupational therapist assesses what adaptation is 'necessary and appropriate' to meet the person's needs whilst the housing authority assesses what they consider is 'reasonable and practical'. Liaison between the two parties is not always smooth.
- In the case of housing association tenants, whilst they have a theoretical right to apply for a disabled facilities grant, because of custom and practice amongst some associations or budget shortfalls, the local housing authority may well expect the housing association to undertake the adaptations that their tenants require.
- Payment delays and past administrative problems may mean that some builders are unwilling to undertake grant funded works, particularly at times of high demand in the building industry.

⁸² Heywood et al (2005) *Reviewing the disabled facilities grant programme*, London: Office of the Deputy Prime Minister

- Changes in a disabled person's circumstances eg. a worsening of their condition during the period of delay in processing their DFG application, may require re-assessment of need and amendments to the original specification for work.
- Inappropriate categorisation of DFG applicants using Social Services FACS (Fairer Access To Care) criteria whereby only people who are judged by Social Services as having a critical or substantial need are prioritised for an OT assessment. This can result in people with a significant adaptation need that would prevent a worsening of their situation being denied assistance.

Occupational Therapy Assessment

A shortage of occupational therapists, and how to make best use of occupational therapists' skills and time are key current issues.

In 2007⁸³ CLG clarified that an occupational therapy assessment is not, and never has been, a legislative requirement⁸⁴ in the processing of every DFG. At paragraph 103. c) it states:

"The DFG legislation does not specify that an occupational therapist needs to be used in every case to assess needs..."

Whilst in many cases, particularly in more complex situations, an assessment by an occupational therapist can be instrumental in ensuring that the disabled person has access to a wide range of information and receives the correct adaptations for their needs CLG point out that there are alternatives to assessment by an occupational therapist in the Social Services authority and state that,

"Whichever route is chosen the Government does not accept that a shortage of occupational therapists within a LA's social services department is a valid reason for any delay in delivering housing adaptations."

It is also important to remember that the mandatory nature of the DFG overrides thresholds for social care assessment such as 'Fairer Access to Care' criteria. Paragraph 4.7 Chapter 4 of Delivering Adaptations states⁸⁵:

"It should be recognised that people who do not qualify for social care services may nevertheless be entitled to advice about and/or assistance with the cost of housing adaptations and the mandatory nature of entitlement to disabled facilities grants must always be borne in mind."

To improve the processing of DFGs increased use of OT assistants, Trusted Assessors, Self-Assessment, handyperson services and Home Improvement Agencies are all being effectively utilised by some local authorities and are worthy of further expansion.

⁸³ Department for Communities and Local Government (January 2007) *Disabled Facilities Grant Programme: The Government's proposals to Improve programme delivery*, London: CLG

⁸⁴ Section 24 of the Housing Grants, Construction and Regeneration Act 1996 requires only that a housing authority which is not itself a social services authority to consult the relevant social services authority on the adaptation needs of disabled people seeking help through DFGs

⁸⁵ Department for Communities and Local Government (2006) *Delivering Housing Adaptations for Disabled People: A Good Practice Guide*, London: CLG

DFG Budget Levels

National government has to date provided a ring-fenced grant to all local housing authorities as a contribution towards the cost of DFGs. Up until the year 2007-8 as a minimum the local authority had to match this funding on a 60:40 basis. Many authorities put significantly more money into the DFG budget than the minimum 40 per cent.

From April 2008 this matched funding arrangement ended and local authorities are now free to choose how much they put into local DFG budgets relative to their national funding allocation. Evidence is starting to emerge that whilst some are continuing to match the national funding, others are either freezing or reducing their contribution, hence reducing the local budget.

As the analysis of trends in the earlier chapters illustrates, the national government funding for DFGs has increased significantly since their inception, but still falls far short of being enough to meet demand in many areas.

Many authorities have argued that the level of their DFG grant and availability of capital finance is the reason for setting a DFG budget that falls well short of being able to meet local needs. However, a local authority cannot legally have regard to its own resources in exercising a statutory duty in relation to a mandatory grant. In *R v Birmingham City Council, Ex Parte Mohammed* (1998)⁸⁶ the court held:

"In conclusion, save to the extent that they were expressly required or authorised to do so by the 1996 Act, [the local authority] was not entitled to have regard to its financial resources in a decision on an application for a DFG for purposes within s.23(1) of the 1996 Act."

Where significant delay is inevitable good practice guidance emphasises the need to consider appropriate interim measures such as equipment or temporary works to help meet the needs of the disabled person:

"It is not acceptable that the disabled person and carers should be left for a period of weeks or months without such interim help when the timescale for the provision of an adaptation is foreseen to be lengthy..."⁸⁷

Long delays in the provision of an adaptation can result in additional costs for Health and Social Care authorities, such as home care services, residential care or hospital in-patient expenditure of many times the adaptation cost⁸⁸.

One of the disincentives for investment in DFG is that the expenditure of one authority or department, ie. housing, results in savings elsewhere ie. for Social Services and/or the health sector.

With the introduction of Local Area Agreements, Joint Investment Planning, Joint Service Commissioning and Comprehensive Area Assessment, it is to be hoped that authorities will begin to take a more holistic approach to adaptation delivery, as exemplified by the case study below, and give expenditure of adaptations a higher priority (note case study).

⁸⁶ *R v Birmingham City Council, Ex Parte Mohammed* (1998) QBD (Crown Office List) 12/6/98

⁸⁷ Paragraph 5.40 Chapter 5 of *Delivering Adaptations* (see note 68)

⁸⁸ Audit Commission (1998) *Home Alone: the role of housing in community care*. Audit Commission

In Blackpool recognition of the value of home adaptation to older people's health and ability to remain living independently in their own homes, has resulted in a radical review of the delivery of adaptations across all the organisations involved in the delivery of the service.

Blackpool Council was the prime mover in the review but realised that without the full co-operation and participation of Blackpool NHS, who have responsibility for the Community Occupational Therapy service, any review of the whole system was futile, hence the involvement of the PCT Integrated Systems Manager was critical to the process.

The starting point for the adaptations review was the experience of an older, disabled person, rather than looking at systems from a provider perspective. This epitomises the theory of personalisation and is an excellent example of how such an approach can result in major service improvements.

From the perspective of an older person who is facing difficulties with day to day living speed of provision is absolutely critical. Put simply – if you can no longer get up and down the stairs to use the bathroom or go to bed, your life is dramatically affected. Being told that you will have to wait many months before anyone even visits to assess you for an adaptation is not only unacceptable, it can bring added costs to the health service due to increased risk of falls, depression, and continence problems.

In Blackpool (area with high health inequalities and a 'Spearhead' Area) the PCT, home improvement agency and local authority have worked together to bring the time it takes to complete a home adaptation down from a year to an average of 8 weeks –even less where there is an urgent situation.

Every single stage of the process of obtaining an adaptation has been changed. From initial occupational therapist assessment (now done in under 4 weeks and emailed to the HIA), cutting the application form down to 2 pages, using a schedule of rates and rotating list of contractors for showers, block contracting stair lifts, to telephone sign off, no aspect of the process has remained unchanged.

The result is a dramatic improvement for older and disabled people, not to mention efficiency savings by everyone involved in the process (including for builders), higher quality of work and greater job satisfaction (and hence better staff recruitment and retention) for all concerned.

'The links between housing suitability and health are incontrovertible,' says John Turner, Integrated Systems Manager at Blackpool PCT. 'If we want to improve older people's health, enable their independence at home, prevent falls and reduce other common problems it is absolutely critical that we work effectively with housing colleagues to make older people's homes safe, decent and adapted places to live'.

Issue: Adaptations in social rented housing

This has begun to emerge as a growing issue since the change introduced by Communities and Local Government in 2008.

There is a legal obligation on local authorities to meet the cost of home adaptations for their tenants from their own housing budgets. Whilst the LA can apply the DFG process to tenants if they so choose eg. using an OT assessment and the same means test, they are not allowed to use their national government allocation of DFG funding to pay for the adaptation.

There is a lack of national data on the delivery of home adaptations for local authority tenants, but some anecdotal evidence that there are similar problems with speed of provision and delivery faced by DFG applicants. Given the high age profile and disability levels of local authority tenants, combined with financial pressures, it seems likely that problems will increase if provision is not planned ahead.

For housing association (HA) tenants the position is even more complex. Whilst HA tenants have a legal right to apply for a DFG from the local housing authority, as already noted, the local DFG budget is often not enough to meet the needs of low income home owners.

Again, anecdotal evidence is emerging that the incorporation of the small amount of funding from the Housing Corporation to assist housing associations with the cost of adaptations into the national DFG funding system in 2008, appears to have worsened the situation. It would seem that this has resulted in more housing associations advising their tenants to apply to the local housing authority for a DFG rather than offering assistance directly. The situation is mixed, with some associations still providing a full adaptations service to their tenants, others undertaking smaller jobs but referring larger ones, and others negotiating mixed funding arrangements with local authorities for all works.

There is an urgent need for national agreement and guidance on the obligations and responsibilities of housing associations concerning the provision of adaptation assistance for their tenants. Without this adaptation provision for disabled tenants and low income home owners could deteriorate.

Issue: Impact on the Social Fund

The discretionary Social Fund is a government funded system providing lump sum payments (grants or interest free loans) for needs that are hard to meet from weekly welfare benefits. There are no legal entitlements to help and the system is cash limited. The category of grant of most relevance to adaptations is the Community Care Grant which in particular aims to enable vulnerable people to live as independent a life as possible in the community.

In 2008-9 the budget for Community Care Grants was £141 million. 18,608 grants were awarded - an increase of 48% on the previous year. 10,258 crisis or budgeting loans were made. There were 588,000 initial applications.

In the 2009 Annual Review of the Social Fund, undertaken by the Social Fund Commissioner, a further rise in the number of applications for aids, adaptations and specialist items for disabled people was noted and concerns about the statutory provision of adaptations and equipment for disabled people highlighted.

The report was critical of Social Services failing in their statutory duties to meet the needs of disabled people. Cases were noted where Social Services were found to be either failing to assess a disabled person's needs or even where needs had been assessed and an item/adaptation judged as crucial for the individual Social Services were referring the person to the Social Fund instead of funding the necessary item themselves. He goes so far as to recommend that:

"...the Secretary of State for Work and Pensions raises issues about local authority statutory duties to disabled people with the Secretary of State for Communities and Local Government, with a view to ensuring those duties are properly discharged."

Issue: Impact on Charities and Benevolent Funds

Benevolent funds and charities are important sources of financial help for individuals in need. They provide around £300 million pa in the form of one-off grants, loans and regular payments to beneficiaries.

A national umbrella body for benevolent funds is the Association of Charity Officers (ACO) with over 200 member organisations. In their last survey of grants awarded by ACO members identifying trends and issues⁸⁹ it was estimated that ACO members give around £82m annually in one-off grants and £43m pa in regular grants. Of this, £2.2m was being spent on stairlifts alone, with expenditure on adaptations, special chairs, scooters & wheelchairs amounting to £3.5m.

Disabled Facilities Grant availability and system shortcomings were specifically mentioned as giving rise to problems for ACO members. One of the key issues was the boundary between charitable giving and statutory provision. Benevolent funds were increasingly being approached for help with adaptations because of failures in the statutory system. This was presenting members with a number of dilemmas particularly whether to provide charitable funding even when the applicant was legally entitled to a DFG but the wait for a grant, sometimes running to years, was too long, and whether to top up funding because the DFG funding limit was inadequate to meet the cost. One respondent commented:

".....expenditure is rising because clients are living longer and require expensive mobility aids and the fact that social services are under funded by central government resulting in charities filling the void."

ACO has noted that informal exchange of views amongst charity officers indicates that the number of requests for financial help with home adaptations is still increasing.

In their 2009 survey of expenditure trends of the 35 major charities and trusts who are members of Benevolence Today (which spend around £30m pa on grants to individuals), 41% of members reported an increase in expenditure on financial help with home adaptations and repairs.

⁸⁹ Association of Charity Officer (2006) *Benevolence in the 21st Century: The Beauty of Benevolence*, www.aco.uk.net

Chapter 4:

Policy and Practice: The Challenge Ahead

“With the current demographic changes in society, any policy with the power to reduce the costs of health and social care for older and disabled people must be of interest to Government. If the policy produces improved quality of life outcomes it will be all the more welcome.”

This extract from *‘Better outcomes, lower costs: Implications for health and social care budgets of investment in housing adaptations, improvements and equipment: a review of the evidence’*⁹⁰ clearly summarises why it is so important for serious debate to take place about the future of help with home adaptations for older people.

The potential impact of letting the current situation continue includes increasing risk of falls and accidents amongst older people in their own homes, rising demand for help with personal care such as washing, bathing, toileting, greater demand on social services, including the need for residential care, further delays in hospital discharge and a worsening quality of life for growing numbers of older people.

Proving the benefits

‘Better Outcomes, Lower Costs’ (as above) concluded that adaptations save public money in four key ways:

1. Saving by reducing or removing completely an existing outlay – eg. residential care or home care.
2. Saving through prevention of an outlay that would otherwise have been incurred – eg. prevention of accidents such as falls that result in hospital costs.
3. Savings through prevention of waste eg. providing additional hours of home care whilst a person is waiting for an adaptation that will remove the need for that care package.
4. Savings through achieving better outcomes for the same expenditure eg. adaptations improve the quality of life for 90% of recipients and have the added value of improving the quality of life for carers and other family members.

However, further studies are needed to quantify such savings in more detail. This evidence will be crucial to demonstrate the actual monetary value of home adaptations at a time of major public spending constraints and provide indicators of the most effective use of available funding.

Room for improvements in efficiency

At a time of rising pressures on public expenditure some of the improvement in provision of help with home adaptations will need to come from efficiency savings.

⁹⁰ Heywood F and Turner L (2008) published by the Office for Disability Issues and the University of Bristol

- Streamlining processing and delivery along the lines of the case illustrated in Chapter 3 can save on staff time.
- increased use of OT assistants, Trusted Assessors, Self-Assessment, handy-person services and Home Improvement Agencies are all being effectively utilised by some local authorities and are worthy of further expansion.
- Assessment of the cost effectiveness and any impact of reclaiming DFG upon sale of a property plus realistic assessment of when equity release is a viable option for adaptations is needed.
- Block contracting for frequently specified items such as stair lifts and level access showers could be made possible through the new flexibilities in the national funding system.
- Technological improvements such as greater use of recyclable pods or flat pack bathrooms instead of building full scale extensions have significant potential.
- Increased levels of recycling, using registers of adapted housing and re-allocating/targeted selling of adapted properties are being used effectively in some areas and have potential for expansion.

Cross sector vision

One of the significant obstacles to gaining a higher priority for and greater investment in the provision of home adaptations is that expenditure by one government department – housing – results in savings in other sectors - health and social care.

It should not be underestimated just how influential this has been in the lack of prioritisation of adaptation provision.

In the case of delays to hospital discharge caused by patients waiting for social care support to be organised, a system of recharging social services for the extra bed day costs to the health service provider was introduced resulting in reductions in delay. It may be worth considering a similar system for adaptations in order to stimulate improvements in provision.

With the introduction of Local Area Agreements, Joint Investment Planning, Joint Service Commissioning and Comprehensive Area Assessment, it is to be hoped that authorities will begin to take a more holistic approach to adaptation delivery, as exemplified by the case study in Chapter 3, and give expenditure of adaptations a higher priority.

There also needs to be a cross-government policy change on this issue, with interdepartmental agreement about priorities and the importance of home adaptations to a number of national policy areas, particularly with regard to planning for population ageing (DWP), housing for an ageing society (CLG), better health and greater independent living for older people (DH).

Social Rented Tenants

There is an urgent need for national agreement and guidance on the obligations and responsibilities of housing associations concerning the provision of adaptation assistance for their tenants if this situation is not to worsen both the position of disabled tenants and also low income home owners.

Realistic expectations of Benevolent Funds and Charities

The current reality gap between statutory provision of adaptations and local reality causes serious dilemmas for many benevolent funds. Whilst having a remit to relieve suffering, they also aim to 'fill the gaps' and add value rather than to replace statutory services.

A common policy position for a benevolent fund would be not to award a grant for a home adaptation if a person was entitled to a disabled facilities grant. Yet when faced with stories of the very real suffering caused by having to wait perhaps years for a DFG they can feel pressured to assist. Whilst having significant resources the sector clearly does not have anything approaching enough to provide adaptations help for every disabled person.

Taking the longer term view – Lifetime Homes Standards

If all new housing was built to Lifetime Homes Standards, across all tenures, this would in the longer term result in a fall in the need to undertake home adaptations. A growing number of properties would be already designed to accommodate reductions in mobility in older age without any, or with minimum, adaptation.

Given the low level of adaptability of a high proportion of the existing stock, the rising numbers of older and disabled people and the slow rate of house building, there is going to be an increasing shortage of adapted/adaptable homes.

Whilst Lifetime Homes Standards are being introduced for all social rented housing, little progress is being made in the private sector where the majority of new housing will be built. As a matter of urgency Lifetime Homes Standards as a minimum need to be made mandatory through Building Regulations for all homes of all tenures.

Stock refurbishment – an opportunity not to be missed?

In the case of refurbishment of property, such as stock improvements through the Decent Homes programme or mass programmes to increase energy efficiency, it would also be worth exploring the practicalities of incorporating elements of Lifetime Homes Standards into such improvements.

For example, replacing baths with showers would not only contribute to the sustainability agenda by reducing water and energy usage, but installing the right type of shower, such as level access or wet rooms, would reduce the need for later bathroom adaptations. A downstairs toilet, relocation of sockets and switches, avoidance of added thresholds when doors are replaced, ensuring that new double glazed windows are easy to open and central heating controls well located and easy to use would all make a significant contribution to reducing future demand for adaptations.

Support for self-help

Encouraging people to think ahead and plan for their retirement has been a high priority in the field of pension provision. Increasingly the social care sector is exhorting people to think about how they can make provision for their future social care needs in later life. In the health sphere keeping in good health and prevention of common health conditions are increasingly taking centre stage.

Planning your home for your older age should be just as high a priority.

As the private market in DIY adaptations and equipment expands there is a growing need for independent, impartial advice and information about the suitability of products. High profile, locally accessible demonstration centres where people can go and look at products and gain such advice should be established in every area. Whilst many local authorities have taken steps towards this, there are still gaps.

Enabling people to make the best use of what limited resources they may have to plan for or meet their adaptation and equipment needs is crucial if money is not to be wasted on inappropriate products.

Impact of changes in social care – direct payments and individual budgets

Whilst it is as yet unclear how the anticipated significant increase in the use of direct payments and individual budgets will impact on provision of help with home adaptations, the early pilots indicated some potential problems.

For a high proportion of older people who need a home adaptation, their need is a 'one-off' to solve a particular issue, rather than being part of a longer term need for a package of social care support. The new DP/ IB systems are more geared up to the provision of the latter, so potentially less well suited to addressing the one-off nature of a home adaptation.

Where a person is given greater control over the use of any state funding, the need for independent, impartial advice and information about the best use of the money available becomes even more important, as noted above.

An 'Honest Contract' between the State and the individual

There is currently a theoretical right to help with home adaptations for any disabled person with limited means. However, in practice this system is not working and a postcode lottery exists with regard to both efficiency of delivery and adequacy of funding.

As the previous chapters have demonstrated, need is going to continue to rise but it is unlikely to be matched by many older and disabled people's predicted financial means. Unless there is a significant shift of resources from crisis intervention into measures that can help to prevent a health/care crisis, such as home adaptations, the current situation is likely to get worse.

The continuing rise in low income owner occupation poses challenges with regard to how low income pensioners can afford to repair and maintain, let alone adapt, their homes over 20 plus years of retirement. As highlighted above, there are still significant problems and limitations with regard to equity release, and as the market currently operates, this is not a viable solution in a high proportion of cases.

As a matter of priority, exactly what practical help a person can expect from the State if and when they face ill health and disability in later life needs to be decided and made clear not only with regard to welfare benefits and social care, but also with practical services such as home adaptations.



This report sets out the key policy and practice issues that are arising as a consequence of an increasing older population, rising disability levels, the growth in owner occupation (particularly amongst lower income groups) and the availability of statutory help with home adaptations. It analyses key demographic, health, disability and housing trends and estimates possible future need for adaptations and related financial help. Emerging practice and policy issues are discussed and the challenge ahead set out.

About Care & Repair England

Care & Repair England is a national charity established in 1986 to improve the housing and living conditions of older and disabled people. Its aim is to innovate, develop, promote and support housing policies and initiatives which enable older and disabled people to live independently in their homes for as long as they wish.

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