

Strategic Housing Services

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Report

Subject : Private Sector Disabled Facilities Grants: Budget Virement Request

Report to : The Cabinet

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Author : Andrew Reynolds, Head of Strategic Housing Services

Cabinet Member for Housing: Councillor Ian Tomes

1. Purpose:

The purpose of the report is to seek member's approval to vire £70,000 of capital from the Housing Renewal budget to the Private Sector Disabled Facilities Grant budget to overcome a projected shortfall.

2. Background:

Disabled Facilities Grants (DFG's) are mandatory and are used to provide adaptations for disabled people to support them remaining independent in their home. The grant is means tested and is most often used to fund adaptations that include works to facilitate improved access to the home, level access showers, stairlifts and extensions.

As a result of increased demand the budget for 2006/7 was committed at the end of August 2006 and no further grants could be approved until April 2007 without the risk of an overspend. The reason for this early commitment was due to an increase in spending on DFG's in general and for children in particular, following a change in the means test from 31 December 2005 which meant that DFG's for children were no longer subject to a means test. Previously the income of the child's parents had been used to assess the financial help that was provided. During 2006/7 it is estimated that an additional £46,876 of grant funding was provided to families with disabled children who would not have received funding under the previous scheme.

3. Financial Consideration:

The budget for 2006/7 was £363,960 including an under spend of £48,361 brought forward from 2005/6. The budget for 2007/8 is £350,000. The 1996 Housing Grants and Regeneration Act acknowledges the problems of managing demand led budgets by giving council's a 6 months period to process an application. Whilst, this is helpful in terms of balancing the budget it does not provide clients with timely intervention and assistance.



In April 2007 the council had 47 referrals for work estimated to cost £315,000 outstanding. Currently the estimated cost of outstanding referral and committed funds is £385,223. Extra grant provision is required in this financial year to enable clients to be assisted in a timely fashion.

A virement of finance can be made from the capital budget which funds “discretionary” grants, loans and other related housing renewal works. This capital was made available by the South West Regional Housing Board and allocated as part of the Regional Housing Pot. Salisbury District Council received £592,708 for 2007/2008 and although the purpose of this money is to fund initiatives to help vulnerable private householders improve their homes to the ‘Decent Homes Standard’ it may also be used to fund related works such as “mandatory” Disabled Facilities Grants.

3. Options:

The options to the Council are either to increase the budget to address the needs of residents or do nothing. Increasing the budget would ensure that those occupiers who experience disadvantage due to disability will continue to be provided with the adaptations they need in their homes.

Doing nothing is a possibility as the legislation allows the council six months to make the approval from the time a complete application is received. Payments could be delayed to the next financial year. Such a measure would mean that the most vulnerable would continue to live in discomfort in un-adapted properties which do not suit their needs; the most urgent cases having the greatest difficulties. If this strategy was adopted then we would simply be delaying the matter until the next financial year when the problem has the potential to escalate.

4. The Risk to the Council:

Not to meet its statutory requirements. Letting vulnerable members of the community to continue to live in housing un-suitable for their needs. An increase in budget of £70,000 for 2007/8 would reduce the impact.

5. Recommendations:

It is recommended that Members approve an increase in budget of £70,000 for 2007/8 and authorise the transfer of resources from the Capital Grant provided by Central Government for Housing Renewal to the DFG Capital Budget.

6. Implications:

Financial: Any ongoing changes to future years allocations will need to be considered as part of the portfolio planning and capital programme update from 2007/08 onwards.

Legal: Housing Grants, Construction and Regeneration Act 1996

Human Rights: None in this report

Personnel: None at this stage

Community Safety: Risk to applicants for DFG due to time delays.

Environmental: None at this stage.

Council's Core Values: It is likely that this proposal will meet a number of SDC core values. - Providing an excellent service and Supporting the disadvantaged