

# Housing Associations and Home Adaptations: Making it work smoothly

A study of adaptation agreements between  
local authorities and housing associations



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# Executive Summary

## Chapter 1 Introduction to the Research

- **Growth in demand.** Demography is the most significant factor: 70% of demand for adaptations is from older people and the numbers of disabled older people are projected to rise from 2.3 million in 2002 to 4.6 million in 2041. Adaptation demand particularly affects council and registered social landlords (RSLs – here referred to interchangeably with housing associations). 42% of their tenants have a disability or long-term illness, compared with a 17% national rate. Disabled children are more likely than other children to live in social housing. Through Large Scale Voluntary Transfer (LSVT) from council housing departments to housing associations, the number of housing association tenants in England grew by 2.2 million between 1988 and 2008
- **Uncertainties about funding.** The funding of adaptations in housing association homes was once the simple responsibility of the landlord. The emergence of other possible sources has caused confusion. Social services responsibilities are not fully matched by funding. Support from the Housing Corporation has been uneven and unclear. Guidance on use of the Disabled Facilities Grant (DFG) has been ambiguous, resources inadequate and different policies of 355 housing authorities and 1,300 housing associations have led to a situation where tenants have suffered long waits because of uncertain and divided responsibilities
- **Local responses.** Practitioners from associations and local authorities in some places have come together to draw up adaptation agreements to improve the service experienced by tenants
- **The research** was commissioned to investigate existing partnerships and produce an example adaptation agreement. Adaptation agreements in East London, Leeds and Stockport were the core focus, supplemented by information from seventeen other areas and from representatives of key relevant national organisations. The main study methods were telephone interviews to triangulate information received and a review of publications and data

## Chapter 2 Legislation and Funding Policy on Adaptations

- **The law.** The ultimate legal responsibility for seeing that adaptations are supplied lies with welfare authorities (CSDP Act 1970). Also, anyone in any tenure is entitled to apply for the mandatory DFG<sup>1</sup>, administered by housing authorities, although council tenant applications are excluded from the subsidised grant and must be funded from the Housing Revenue Account.<sup>2</sup> But the tradition of housing associations funding adaptations themselves is precious because it increases the resources available for a service where demand greatly exceeds supply. Government guidance of 2008<sup>3</sup> states that RSL tenants are entitled to apply for DFGs, but also that *'It is expected that RSLs build into their business plans the funding of adaptations as part of their core activities'*

<sup>1</sup> 1996 Housing Grants Construction and Regeneration Act

<sup>2</sup> In Northern Ireland and Wales, RSL tenants are also excluded from DFG funding. They have their own sources of centralised funding, though in Wales proposals have been made for this to include a top-slice of RSLs' own funds.

<sup>3</sup> Letter of Guidance from CLG and the Housing Corporation to CEOs of all RSLs, Feb 29th 2008.

# Executive Summary

Social services authorities also have a duty<sup>4</sup> to supply equipment and minor adaptations up to £1,000 free of charge to those who qualify. But resource constraints mean some authorities set their eligibility criteria at very restrictive levels

- **Duties of housing associations.** The Housing Corporation has 'passported' its Disability Equality Duty<sup>5</sup> to RSLs. Housing associations therefore have a responsibility towards their disabled tenants to ensure they are put on a par with other tenants in terms of access to suitable housing
- **Funding.** Housing Corporation funding for adaptations reduced from £29 million in 1995 to £1.5 million in 2007<sup>6</sup> before abolition. There are no collated figures for housing associations' own spend on adaptations in this period but they are likely to have been substantial. DFG funding was geared to private sector housing and has been less than HRA funding. Although Government contributions to DFG (at values adjusted for inflation) rose from £73 to £138 million between 1998 and 2007 and will increase to £166 million by 2010, this lags behind its own estimate of need by £52 million a year

## Chapter 3 Barriers to Effective Adaptation Agreements

The major barriers to partnership:

- **Uncertainty** about what the law and guidance says and who should fund what
- **Structural factors.** The diversity of housing associations makes national and local dialogue difficult. There is a lack of priority given to adaptations by some officers and councillors; a lack of incentives to encourage good practice; and a lack of trust, with associations wary of the local authority and of competitor RSLs
- **Communication** is a serious problem, starting with the need to find who to talk to. RSL call centres are designed for tenant queries, not strategic liaison. RSLs have complained at inadequate contact from local authorities both on agreements and for individual cases. Difficulties of contact often continue as the result of staff turnover

## Chapter 4 Progress in Developing Adaptation Agreements

The three agreements studied in detail were:

- **Leeds City Council SLA (2007).** An agreement for a 60:40 funding split with 21 RSLs had worked well for 10 years. After internal reorganisation, Leeds now has an Adaptations Agency with a substantial budget and one of the highest turnovers of DFGs in the country. A third of RSLs use the full agency service, a third have mixed requirements with some preferring to do the work themselves, while the final third no longer contribute to funding but are happy for their tenants to apply for DFG. Inevitably, communicating with so many RSLs with different requirements has proved difficult. New initiatives may help to streamline the process

<sup>4</sup> 2003 Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003, Part 2.

<sup>5</sup> 2005 Disability Discrimination Act (amendments).

<sup>6</sup> Figures adjusted for inflation.

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- **East London Housing Partnership East Sub Regional Adaptations Protocol for RSLs (Jul 2007).** Eight London boroughs and 40 RSLs. RSLs to fund minor adaptations up to £1,000, and to apply for DFG (landlord application) only if they could show that they have set a reasonable budget and have exhausted it. This protocol has won some supporters, but suffered major communication difficulties. Staff in some boroughs and signatory RSLs did not know the protocol existed. It is being reviewed
- **Stockport.** Stockport Housing Partnership III Framework for Funding Major Adaptations (2004). An agreement between Stockport MBC and five RSLs. The RSLs do all work under £500. For work over £500, tenants are invited to apply for a DFG. A cumulative record of all grant funding is kept and 50% of this is repaid by the RSL's as a lump sum the following year, the sum being limited to an agreed ceiling which is based on the amount of stock held by the RSL in Stockport as of 2004. This agreement has been relatively easy to manage because of the small numbers of RSLs involved and few revisions have been needed
- **Other agreements and progress.** Agreements or draft agreements have also been achieved in South East London, Manchester, Rochdale, Blackburn, St Helens and Birmingham. A good agreement in Suffolk was lost when key staff changed on the Physical and Sensory Disabilities Housing Task Group and the Group was disbanded following the introduction of Supporting People. Agreements have led to progress being made about funding, maintenance, purchasing, strategic planning and monitoring. They have encouraged understanding; identifying of problems; time and money saved by better systems; and a swifter meeting of the needs of tenants

## Chapter 5 Setting up an Adaptation Agreement

- **Initiation.** Either local authority or an RSL can initiate. Key personnel include the service manager from the strategic housing authority, occupational therapists and whoever in the RSL will accept responsibility for adaptation provision. HIAs should also be included. A background document should outline why an adaptation agreement is needed. All parties should gather information on their own input: adaptation numbers, funding sources, costs, waiting times, resident feedback and common problems. Meetings of all parties together may not be possible so be prepared for a one-to-one approach. An agreement like the one in this document could be used as a basis for discussion
- **Content.** Some agreements have begun with just one issue – like shared recycling of stair lifts. They can cover funding, maintenance, procurement, registers of adapted properties, strategic planning or sharing of information. Other issues can be added in due course
- **Monitoring** should be included from the start. The partnership needs to be able to demonstrate what it has achieved

## Chapter 6 Conclusion

- **Policy implications of the research findings.** Government, the Audit Commission, the Homes and Communities Agency and the Tenant Services Authority need to be clear who has responsibility for RSL housing adaptations, how much funding is needed, and how the service will be monitored. All relevant parties need to come together to produce a policy that is fair and enforceable, perhaps on the models of Northern Ireland or Wales
- **Good practice in adaptation agreements.** In the meantime, practitioners can help themselves and those who need adaptations through locally determined agreements. Good practice will include: clear objectives, offering benefits for all parties; respect and the sharing of knowledge; monitoring to demonstrate achievements; transparency (at least between the local authority and each RSL); fairness between RSLs; and flexibility when circumstances change. Communication systems must be good and sustainable through rapid staff turnover. There need to be agreed resources to sustain the partnership and practical tools and forms to streamline the service
- **Strategic approach.** Adaptation agreements can support independent living and assist the strategic use of housing resources in an ageing society. This is the way housing is moving, and adaptation agreements offer a chance to be at the forefront

# Example Adaptation Agreement

This agreement has been drawn up by the three sponsoring housing associations (Habinteg, Servite and Hanover) following consideration of the research findings. It is presented here as a basis for discussion and negotiation between local authorities and housing associations.

## 1. Purpose of the agreement

Home adaptations have been identified as a key policy area in the National Strategy for Housing in an Ageing Society. They are expected to be included in Local Area Agreements and Comprehensive Area Assessments. There is also a clear link to the Future Home Improvement Agency project, partnership working across many fields, and the growing personalisation agenda. Adaptation agreements will be increasingly important in response to these changes.

The purpose of the agreement is to promote and ensure the provision of consistent, fair, timely, efficient and customer-focused adaptations services to clients living in housing association homes.

## 2. Partners to the agreement

The Agreement is between:

Named local authority or authorities

.....

Named housing provider(s)

.....

(Other partners may be added, as appropriate.)

## 3. Aims and principles

The partners agree to develop a service which:

- offers a strategic, integrated approach to adaptations
- is fair and equitable
- is responsive, timely, flexible and respects the choices of clients
- gives good quality outcomes and high levels of client satisfaction
- offers value for money and makes optimal use of resources

The partners agree to have:

- clarity and transparency between partners
- clear communication with individual clients

# Example Adaptation Agreement

## 4. Communication between partners to the agreement

- Each party to the agreement to nominate one person at strategic level who is responsible for overseeing the adaptations service
- Each party to the agreement to nominate one person at operational level as the principal contact person for the service
- The names of the strategic and operational contacts to be placed on the organisation's website and this information to be kept up to date
- The local authority to give notification of individual DFG applications and results (approval, means test etc)
- The housing association to have a clear system for providing landlord consent
- Each party to the agreement to notify the other about the involvement and role of any in-house or independent home improvement agency
- Each party to notify the other about the involvement of any in-house or private occupational therapist
- Each party to inform the other of the nominated contractor to carry out work
- A process to be agreed to identify who is responsible in each case for key stages, from initial logging of enquiry through to completed work

## 5. Communication with clients

- All parties to the agreement to publish online information on adaptations policy, entitlement, priorities, funding and process
- Assessment of need will include an opportunity for clients to discuss preferences and options, including moving rather than adapting
- All clients to be provided with a written document to say what work is to be carried out, by whom and when
- All clients to be provided with the name and contact details of a key worker to provide information and deal with any difficulties
- Client feedback to be obtained on quality and outcomes of service through a self-administered client satisfaction questionnaire

## 6. Funding of major and minor adaptations

- The housing association will fund minor adaptations up to £1,000
- The housing association will provide 40% of funding and the local authority 60% of funding (net of means-tested contribution) for adaptations between £1,000 and £10,000
- The local authority will provide DFG full top-up funding for adaptations over £10,000
- Individual contributions will be determined by a means test
- Partners to agree arrangements where client is using Individual Budget (full/mixed funding)

# Example Adaptation Agreement

- Variations and exceptions to be negotiated
- Where different funding arrangements have already been established to the satisfaction of each party, these may be maintained by mutual agreement

## **7. Purchase, maintenance and recycling/disposal of equipment**

- The partners agree to work towards joint procurement of common items
- Agreement to be reached on ownership, warranties and who is responsible for maintenance post-warranty
- Arrangements to be made for disposal, storage or recycling of equipment

## **8. Monitoring and review**

- Partners to agree targets to be set for the completion of each stage from initial enquiry to completion of work and to devise a system to monitor progress
- Partnership meetings to be held annually to look at demand, work completed, work in progress, time taken for cases to be completed, issues/difficulties
- The local authority to provide a written annual review to be circulated to partners before the meeting covering budgets, funding formula and use/effectiveness of Adaptation Agreements
- Any variations or changes to the agreement, particularly funding arrangements, to be agreed in writing by all partners
- The annual review to take account of client's self-assessment, plus any additional satisfaction surveys done at agreed intervals

## **9. Strategic issues**

- Partners to collect and maintain data on all their accessible and adapted properties and note which ones are wheelchair or Lifetime Homes standard
- Housing associations to have responsibility for removing adaptations in vacant properties where they are not to be re-used
- Partners to agree to give nominations and allocations to accessible and adapted properties
- Partners to consider establishing a database of accessible properties, using commonly recognised accessibility categories such as those developed in London<sup>7</sup>

<sup>7</sup> Mayor of London (2007) Housing choice for disabled Londoners  
Delivering the London Accessible Housing Register: Table 2  
<http://www.london.gov.uk/mayor/housing/docs/housing-choice-for-disabled-londoners.pdf>

# Chapter 1

## Introduction to the Research



# Introduction to the Research

## Background

This work has been commissioned by Habinteg, Hanover, and Servite housing associations in response to government consultation and the publication of *'Lifetime Homes, Lifetime Neighbourhoods: a national strategy for housing in an ageing society'* in 2008. All three commissioners are national associations who identify adaptations as a strategically important service. They work with many local authorities and have experienced very variable policies. They wanted a report that would offer a constructive solution to the problems experienced. The following paragraphs explain more of why the research was needed, its aims and the methods used.

## Research Aims

The aims of the research were:

- To review recent literature and set out current policy and guidance on housing adaptations
- To find out what worked well in existing co-operative practice between local authorities and RSLs and identify sticking points and possible improvements
- To produce an 'Example Adaptation Agreement' that would form a foundation that RSLs and local authorities can build on to create an agreement that suits their particular needs. This framework is intended to enable more housing associations and local authorities to develop lasting partnerships to deliver an effective and equitable service to RSL tenants needing adaptations

## Why the research was needed

### Lack of clarity about funding

There has long been a problem of lack of clarity about funding of major adaptations in housing association homes in England.

The ultimate duty to ensure that disabled people are supplied with adaptations lies with social services authorities (CSDP Act 1970), while pragmatically the front line position for major adaptations is held by housing authorities who administer the mandatory Disabled Facilities Grant (DFG). Housing associations and their tenants are both legally entitled to apply for DFGs.<sup>8</sup> However, guidance from Government and the Housing Corporation repeatedly states that associations should also put resources into adaptations and negotiate agreements with local authorities. The disparity between the technical legal position, funding levels and advice from central government leaves all those involved in a difficult position and leads to many variations in policies. This uncertain position is reflected in the governmental joint good practice guide (ODPM/DH/DfES, 2004: 3.23<sup>9</sup>).

<sup>8</sup> A lot of the trouble stems from a confusion between DFG standards and DFG funding sources. Everyone in the land is entitled to the same high standard of adaptation that is described in the provisions of the DFG. This is important because spending on council tenants' adaptations used to be at a lower, meaner level. But whilst it was made clear in Government guidance that council tenants were entitled to the provisions of the DFG, it was also made clear that this was not to be funded from the DFG budget. It is the failure to clarify this point in regard to housing association tenants that has caused so much trouble. In Northern Ireland, housing association tenants are not entitled to DFG funding but have a specific fund of their own, so there is none of the confusion.

<sup>9</sup> ODPM, DH, DfES (Nov 2004) *Delivering housing adaptations for disabled people: a good practice guide*. London ODPM (now CLG)

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There have also been years of confusion about the position of the Housing Corporation, and whether or not it would fund adaptations – this changed over time and varied significantly from region to region (see Annex 1) but was always unclear. This has now been clarified, and since 2007 there is no Housing Corporation funding, but the information was not well publicised and is not known to everyone affected.

## **Diversity of local authority policies**

There are 355 housing authorities in England and nearly all have different policies regarding the funding of adaptations in RSL properties, based mainly on the level of resources they have and how adequate it is to meet demand. Some will fund applications from RSL tenants in full. Some will ask for 50:50 matched funding or a 40% contribution. In a small number of areas where private sector DFG waiting lists are already over two or three years, the authorities have said there will be no access to DFG funding for RSL tenants.<sup>10</sup>

For newer or specialist associations without large reserves, lack of access to DFGs or the requirement for 50% contributions may cause major problems. There are also wide variations in policy on the funding of maintenance of adaptations, in the use of local authority agencies and in charges for agency work.

For RSLs who work with many local authorities, this variety of policies causes confusion and adds to administrative costs. It makes it impossible for the RSL to have a single national policy without there being unjust consequences to some authorities and therefore to some disabled people.

There are also 34 separate county authorities, and in non-unitary authorities the first point of referral for tenants seeking a DFG will usually be the occupational therapists who are employed by the county, not the district.

## **Diversity of RSLs and their policies**

There are at least 1,300 not-for-profit housing associations in England. These range from tiny co-operatives with 12 houses in just one place to national organisations with 80,000 properties in all regions of the country. Some specialise in provision for particular groups of clients, some have large reserves of capital and some have been chosen to be involved in very large-scale development and growth. Some are not developing at all.<sup>11</sup>

About half of the largest 200 associations in 2004 (the number is growing each year) were those where former council stock has been transferred to an association under a Large Scale Voluntary Transfer (LSVT), and these mostly have all their properties in one local authority area. Some LSVT associations had a tradition of paying for adaptations as council landlords

<sup>10</sup> The Local Government Association (LGA) spokesperson consulted for this research said that the LGA would back local authorities who refuse to process DFGs for housing association tenants when the reason is shortage of capital and the size of their existing waiting lists. This would be because local authorities must make decisions based on local priorities. The local authority would say that the RSL has a clear housing duty to its tenants, whereas the local authority has duty to everyone in their area, including the other people reliant on the DFG. They have to balance all the needs.

<sup>11</sup> The LGA made the point that the Cave review showed that where housing associations are not developing, local authorities have no powers to call them to account. (Cave, M. (2007) Every Tenant Matters: A review of social housing regulation. London, CLG)

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and made explicit provision to continue (or even increase) this in their business plan at the time of transfer:

All local authorities work with many RSLs, so have to deal with organisations with variable policies and working practices. RSLs are to some extent in competition with each other so may not want to share information at meetings and are not easily 'represented'. Attempts to create policies reflecting the local situation may conflict with RSL policies that have been determined by a national board with no local connection. In areas with a multitude of different organisations it is difficult to build and maintain relationships.

The diversity of local authorities and the RSL sector creates problems when it comes to policy-making for adaptations. National associations may be making policies in respect of over 100 different local authorities; local authorities may be trying to agree policies with 80 or so housing associations in their area.

## **Other sources of confusion**

The cost of administering a Disabled Facilities Grant is high (possibly around £300-£600) and it is a wholly inappropriate tool for delivering minor adaptations, but the funding of minor adaptations is also unclear.

The ODPM (now CLG) 2004 Good Practice Guide states (paragraph 2.26) that the responsibility for funding adaptations under £1,000 falls on the local authority Social Services department, regardless of tenure. This is a stipulation of the 2003 regulations concerning delayed discharges, see below<sup>12</sup>. Some of this social services provision is taking place in RSL properties, but for various good reasons, most housing associations fund their own minor adaptations, though the definition of the cost limit varies.

Another problematic issue is whether and when an occupational therapist assessment is necessary. Advice on this is given in *Minor Adaptations without Delay* (see Annex 2, COT 2006).

## **How these complexities have arisen**

How has the process of funding adaptations for housing associations become so complex? It is because different policy streams have developed over time and not been consolidated. There is now a cost implication if associations themselves stop contributing.

Housing associations existed before there was either council housing or a welfare state. Their tradition as voluntary organisations was to provide housing – and any necessary changes to the stock (hand-rails, ramps) – as part of their role as good landlords. When council housing

<sup>12</sup> Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003, Part 2

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began to expand from the 1920s onwards, the same assumptions were made: that the landlord would provide any alterations or alternative housing as needed. But this was not likely to be on a very large scale because the norms up to the late 1960s were that disabled people would live in institutions or live confined, 'hidden' lives with their families. Similarly, older people who became infirm would be confined in their homes, or move to residential care.

The change in thinking and the massive growth in demand for non-disabling housing, has been the result in a revolution in society's understanding of disability. This has been one strand in the general move towards equality and diversity in housing, but it is a particularly important one to housing bodies because of the direct connection between an unsuitable home and being disabled. Changed thinking and economic pressures to reduce the public costs of residential care have also led to more very old people being enabled to remain living in their homes.

These core factors have caused an increase in demand for adaptations in all sectors but this has not been matched by a commensurate increase in resources, nor has there been a clear review of who should fund what. A look at the key legislation (see chapter 2) helps show why and how there is confusion over funding and why compromise is a reasonable approach.

## **Increasing need and demand for adaptations**

The need for agreements on funding arises primarily because of problems in funding adaptations for all who need them. It is important to understand the different factors contributing to growth in demand, especially from tenants of housing associations and to understand that the funding of DFGs has not risen in proportion to this increased demand (see chapter 2, section c).

### ***Demand because of demographic change***

Between 1991 and 2001, the number of people aged 85 and over in the UK grew by 22% (OPCS, census 1991 and 2001, cited by Fieldhouse (2002)<sup>13</sup>. People over 85 are twice as likely as those in the age group 75-84 to be disabled. The numbers of functionally disabled older people in England are projected to grow from about 2.3 million in 2002 to about 4.6 million in 2041, an increase of 98%.<sup>14</sup>

### ***Disproportionate numbers of RSL tenants disabled.***

42% of social housing households contain a person with a disability or long term illness<sup>15</sup>. This compares with the national rate of 17% (Census 2001). The reasons for these figures relate to poverty, age and the housing stock. Disability is more likely amongst poorer households, and households with a disabled member are more likely to become, or remain, poor:

<sup>13</sup> Fieldhouse, E (2002) Census analysis England. <http://news.bbc.co.uk/1/hi/england/2288303.stm>, accessed 1pm 19.5.08.

<sup>14</sup> PSSRU Research Summary 35 march 2006; *Thirty-Five Years On: Future Demand for Long-Term Care in England*. <http://www.pssru.ac.uk/pdf/rs035.pdf>

<sup>15</sup> MORI/Housing Corporation 2001 cited in Habinteg (2007) *Housing association guide to disability equality schemes and action plans*.

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Only 43% of families with a severely disabled child are homeowners, compared with 69% of other families.<sup>16</sup> They have found it harder to enter the housing market because of their reduced earning potential and low incomes and are therefore more likely to need social housing. There is also a direct link between age and disability. 70% of applicants for Disabled Facilities Grants (DFG) are over the age of 60 and social housing has a high proportion of older tenants. Finally, for some disabled people the housing market offers no suitably designed properties, whilst some specialist housing associations have long tried to meet this need.

## ***LSVTs increase numbers of RSL tenants and numbers likely to need adaptations***

The first transfer of local authority housing stock to a housing association took place in 1988. The trend gathered momentum, in the late 1990s. By June 2008, 1,148,372 units had been transferred (CLG, 2008)<sup>17</sup>, making an extra 2.5 million people potentially eligible for access to DFG ring-fenced funding in the course of 20 years. There is no evidence that any extra funding has been allocated in acknowledgement of this change.

Also, an analysis of tenants in 2001 showed that 19% of LSVT heads of household were 65 and over, compared with 13% of non LSVT tenants. They were less likely (by 1%) to be disabled<sup>18</sup> but the general trend of this transfer was to increase proportionally the likely need for adaptations amongst RSL tenants.

## **Research methods**

### **Fieldwork**

The core approach of this study was to select three established local agreements and assess their efficacy in helping to deliver a good quality adaptations service through DFGs, then to use the information to consider how existing adaptation agreements could be improved and identify any barriers to achieving this.

This study was conducted over a relatively short time frame, and was a small piece of work. It was not a comprehensive national survey.

### **Selection of sample adaptation agreements**

To ensure that there had been time for any difficulties to emerge, we needed sample agreements that had been in place for several years. One such adaptations agreement was already known. To find others, a query was placed in the journal *Inside Housing* and e-mail or telephone contacts were made with relevant professionals in local authorities, RSLs, national housing organisations and an adaptations benchmarking club.

<sup>16</sup> Every Disabled Child matters (2008) *Disabled children and housing*, citing Beresford, B and Oldman, C (2002) *Housing Matters: national evidence relating to disabled children and their housing*.

<sup>17</sup> CLG spreadsheet on stock transfers: <http://www.communities.gov.uk/documents/housing/xls/completedsvts.xls> accessed 25th June 2008.

<sup>18</sup> Housing Corporation (2001) *The impact of the large scale voluntary transfer of local authority housing stock on the housing association sector*.

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These sources enabled us to identify several agreements. Each of these was then discussed in depth with someone from at least one of the organisations included in the agreement, to establish whether it met our criteria for possible inclusion.

## **Three areas selected**

Our selection of three was made out of ten possible agreements. They were chosen to cover varied areas and to include as many of the range of different problems as was possible. One was a sub-regional protocol in London where the agreement was between several boroughs and numerous RSLs; another was in a large city with many RSLs of varying sizes; and the third was in a smaller metropolitan area with a more limited number of RSLs. We also looked in some detail at an additional agreement between one authority and one RSL, because it seemed to be a valuable model.

## **Investigation of sample adaptation agreements**

Our purpose in the three in-depth studies was to interview a range of stakeholders. This included staff at different levels of seniority in local authorities and RSLs. In London, we randomly selected housing associations in the area of the sub-regional protocol, as well as speaking to organisations listed as signatories. Interviews were conducted by telephone, using semi-structured questionnaire formats. Completed write-ups were sent for approval and correction to those who had spoken to us. The topics covered included:

- why an agreement had been needed
- how people had been brought together to enable the adaptations agreement to be drawn up
- how it had changed over time
- funding arrangements in detail
- other procedures in place
- communication between partner organisations
- communication between different staff levels and roles internally
- how the adaptations agreement was monitored and reviewed
- lessons learnt and what improvements could be made
- the role of regulation and inspection bodies

## **Investigation of the broader context**

Beyond the three sample areas we also spoke to officers in the Housing Corporation, Audit Commission, Department of Communities and Local Government and the Local Government Association. We attended conferences on adaptations and inspection to get up-to-date information on relevant policies and good practice.

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In total, 36 formal telephone interviews were conducted and more informal telephone and email correspondence carried out with people in 20 local authority areas.

## **Previous publications and statistical evidence**

For the context of the research, a review of the literature was undertaken. Subjects covered by the key publications included: the Disability Discrimination Act 2005; understanding and applying the social model of disability; management reasons for user consultation; the need for strategic thinking at various levels and tools to assist this thinking; descriptions of the legal position on funding; practical advice on minor adaptations; and a toolkit for reviewing your whole adaptations policy and service. Several important Government documents set adaptations policies in a wider policy and strategic context with indications for future directions, including the move to individual budgets. A detailed summary of this literature is given at Annex 2.

Work was also done to seek statistical evidence on adaptation numbers, costs and funding. Where this was not published, information was sought through detailed queries to the relevant sections of the Housing Corporation. This statistical evidence is given in Chapter 2 and Annex 1.

# Chapter 2

## Legislation and Funding Policy on Adaptations



# Legislation and Funding Policy on Adaptations

As information on relevant legislation and guidance is quite scattered, this chapter is designed as a point of reference, bringing the core information together in one place to help those involved understand the broad picture and the positions of different players. Some comment is included to help put particular Acts or policies into context. The information on Wales and Northern Ireland, given at (d) is included because it shows how those authorities have tackled their similar problems.

For clarity of reference, the information in this chapter has been separated into:

- a) Legislation relating to local authorities
- b) Legislation and guidance relating to housing associations
- c) Trends in DFG and Housing Corporation adaptation funding
- d) Other relevant policy information
- e) A summary of the legal and funding position

## **a) Legislation on adaptations relating to local authorities**

### **1970 Chronically Sick and Disabled Persons Act**

This Act, still in force as subsequently amended, gave Social Services the duty:

- (section 1) to identify the numbers of disabled people in their area and to inform them of what help is available
- (section 2e) to arrange any works of adaptation or the provision of additional facilities designed to secure a person's greater safety comfort or convenience

Following this Act, social services authorities developed budgets for adaptations and teams of staff to carry them out. There was also considerable use of Joint Finance: budgets that included top-sliced health service funding. But as private sector renovation grant programmes grew rapidly in the 1970s and 80s, it became increasingly common to carry out some of the private sector adaptation work using renovation grant. A particularly useful grant for older people, available from 1990 onwards, was the Minor Works Grant (later called 'Home Repairs Assistance') but it was never mandatory.

### **1990 Introduction of mandatory Disabled Facilities Grant (DFG) through the Local Government and Housing Act 1989**

Housing authorities were required to administer this grant, consulting the welfare authority where this was a different authority. One consequence of this new, specific provision was that some social services authorities believed that everything would now be provided through the new grant and so they reduced their adaptations budgets or in some cases abolished them completely. It took a long time to restore understanding but in 2004 social services authorities were funding or joint-funding 50% of all adaptations under £1000.<sup>19</sup>

<sup>19</sup> ODPM (2005) p25. (but figures relating to RSL properties were not available)

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DFGs for council tenants are funded through the Housing Revenue Account as they have not been eligible for the Government DFG allocation. When this was last collated, in 1995, the amount of adaptations funding from HRA nationally exceeded the whole DFG budget.

## **1993 Implementation of NHS and Community Care Act 1990**

This heralded a complete change in the funding of residential care. It was designed to reduce it and to encourage people to remain in their own homes. No transfer of funds was made in relation to the home environment.

## **1996 Housing Grants Construction and Regeneration Act**

This updated the provisions of 1989 Act on DFGs, added some mandatory clauses and is the Act that is now referred to, as subsequently amended.

## **2002 Regulatory Reform Order on Housing Renewal**

This abolished all mandatory grants other than the DFG. Discretionary DFG was also abolished. Local Housing authorities were now free to determine own renewal policies but from generally shrinking budgets.

## **2003 Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003, Part 2**

This Act<sup>20</sup> made provision for minor adaptations and equipment costing up to £1000 to be provided free of charge and within seven (now five) working days. It was introduced following reports from the Audit Commission regarding the great value of minor adaptations and equipment. The Act required local authority social services and PCTs to have Integrated Community Equipment Stores (ICES). It also gave PCTs an hypothecated budget to invest in the service but they are not obliged to use it for this purpose. The provision is not limited to adaptations for people who have been in hospital, but it does require an assessment by an occupational therapist and is subject to the social services FACS eligibility criteria, which are so stringent in many areas that they do not allow for preventative interventions.

## **2008 Lifetime Homes, Lifetime Neighbourhoods Chapter 6**

This introduced a package of changes to the DFG, including removal of the requirement for 40% match funding from local authorities; more 'passporting' through the means test; raising of the upper limit to £30,000; access to garden as a mandatory provision and the levying of limited property charges. Proposed future changes include the complete removal of the ring-fenced budget and suggested use of Local Area Agreements to help achieve integration (see Annex 2 for more details of whole report and statements on RSLs and adaptation policy)

<sup>20</sup> Statutory Instrument 2003 No 1196 The Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003 states that "for the purposes of this paragraph, an adaptation is "minor" if the cost of making the adaptation is £1000 or less.

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## **b) Legislation/guidance re Housing Corporation and Housing Association funding**

### **1996 Housing HAG funding for adaptations less than £500 was withdrawn.**

This was in a letter sent to all associations by Regional Directors of the Housing Corporation. The letter said that *'all responsible landlords could and should be responsible for funding (such work) by using their own resources'*.

### **1998 Housing Corporation Good Practice Guide**

The Housing Corporation produced *Carrying out adaptations: a good practice guide for registered social landlords* (written by Appleton and Leather): A summary of the main thrust of this important report is given in Annex 2, but here we list two technical legal points raised in it that are relevant to this report

#### ***Guidance on the difference between tenant and landlord applications***

*"If the application is made by the tenant then it is their resources that will be tested. If the application is made by the RSL then the local authority has discretion on the level of grant offered (guidance to local authorities in this matter is in the Department of the Environment Circular 17/96 annex J)." The relevant part of this 1996 circular is in the section headed 'Calculation of grants for landlords' (p215) and related at the time to renovation grants as well as to DFGs. It refers to the difficulties in making previous legislation work and then says: "48. The powers in section 31 (3) therefore provides (sic) for a general power to enable a local authority to use its discretion in deciding the level of any grant offered in respect of a landlord's application. Section 31 (3) requires authorities to have regard to the extent to which the landlord is able to charge a higher rent for premises following the completion of works".*

#### **Charges to tenants following adaptations**

With regard to this last point, the Good Practice Guide says (section 4.3) *"RSLs should not expect to recover the costs of carrying out an adaptation, nor of subsequently maintaining such adaptations, by a charge to the tenant concerned via service charges. In addition to being regarded as bad practice, such a charge would be illegal within the terms of the Disability Discrimination Act 1995"*

**1998 Housing Corporation withdrew funding for adaptations for any association with reserves of over £500,000 in their rent surplus funds.**

#### **2004 Housing Corporation statement re LSVTs**

In response to a query regarding the ODPM (now CLG) review of the DFG, a Housing Corporation spokesperson made a statement of what was by then already established

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practice that *'at registration with us we expect the would-be registered social landlord to show how any projected adaptations will be funded, from their own resources if necessary, and that the assumed level of demand is credible'*.<sup>21</sup>

## **2005 Disability Discrimination Act (amendments)**

This Act placed a proactive duty – the Disability Equality Duty – on all public bodies to take positive action to promote equality. This includes the Housing Corporation and its successor bodies, but the Housing Corporation has passed on this duty to RSLs. Housing Associations therefore have a wide responsibility towards their disabled tenants to ensure they are put on a par with other tenants in terms of access to suitable housing. It might be argued that a landlord, exerting the right of the tenant to apply for DFG while knowing this will cause preventable delay to meeting the tenant's needs, is breaching the DDA 1995 (as amended 2005).

## **2006 Disability Equality Schemes and Disability Action Plans**

In December 2006 the Housing Corporation published its Disability Equality Scheme and action plan, including a requirement that all RSLs produce their own Disability Action Plans by December 2007. Adaptations policies would come within this planning. Further information is given in the Habinteg 2007 Guide to Disability Equality Schemes and Action Plans (see Annex 2).

## **2006 College of Occupational Therapists (COT) Minor adaptations without delay. Guidance endorsed by Housing Corporation, CLG and Department of Health (see Annex 2)**

This advice from the core assessment professionals was designed to speed up the delivery of minor (generally under £1,000) adaptations to housing association tenants. It gives a list of minor adaptations that can be safely supplied without a visit from an occupational therapist. The implication of the report is that associations will be supplying minor adaptations from their own resources.

## **2008 Letter of Guidance from CLG and the Housing Corporation to RSL Chief Executives**

This letter stated that following the recommendations of the DFG review, the Housing Corporation would no longer be funding adaptations. The letter quotes from The Housing Corporation Capital Funding guide: Repairs Book Chapter 6 Minor and Miscellaneous works and says that Section 6.7.1 sets out the position on arrangements for RSL tenants and the provision of adaptations. This repeats the advice that RSL tenants are entitled to apply for DFGs but also that *'It is expected that RSLs build into their business plans the funding of adaptations as part of their core activities.'* It states that *'RSLs and local authorities are encouraged to work closely to identify likely need to help plan and deliver adaptations and to enter into clear partnership arrangements for the provision of DFGs'*. It also states that *'CLG will be working with*

<sup>21</sup> ODPM (2005) note 82, p 38. The impact on one local authority where an LSVT association is using DFGs has been very serious, using up 65% of their total budget.

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*the Housing Corporation to provide further good practice examples on partnership arrangements which RSLs and local authorities will be encouraged to adopt.'*

This letter also included the following optimistic note. *'As you are probably aware, to help clarify funding arrangements the separate funding stream which the Housing Corporation used to support the DFG, which in 2007-08 amounted to £1.5 million, has been consolidated into the main DFG budget. We believe this streamlining will not lead to any additional pressure on the DFG programme.'*

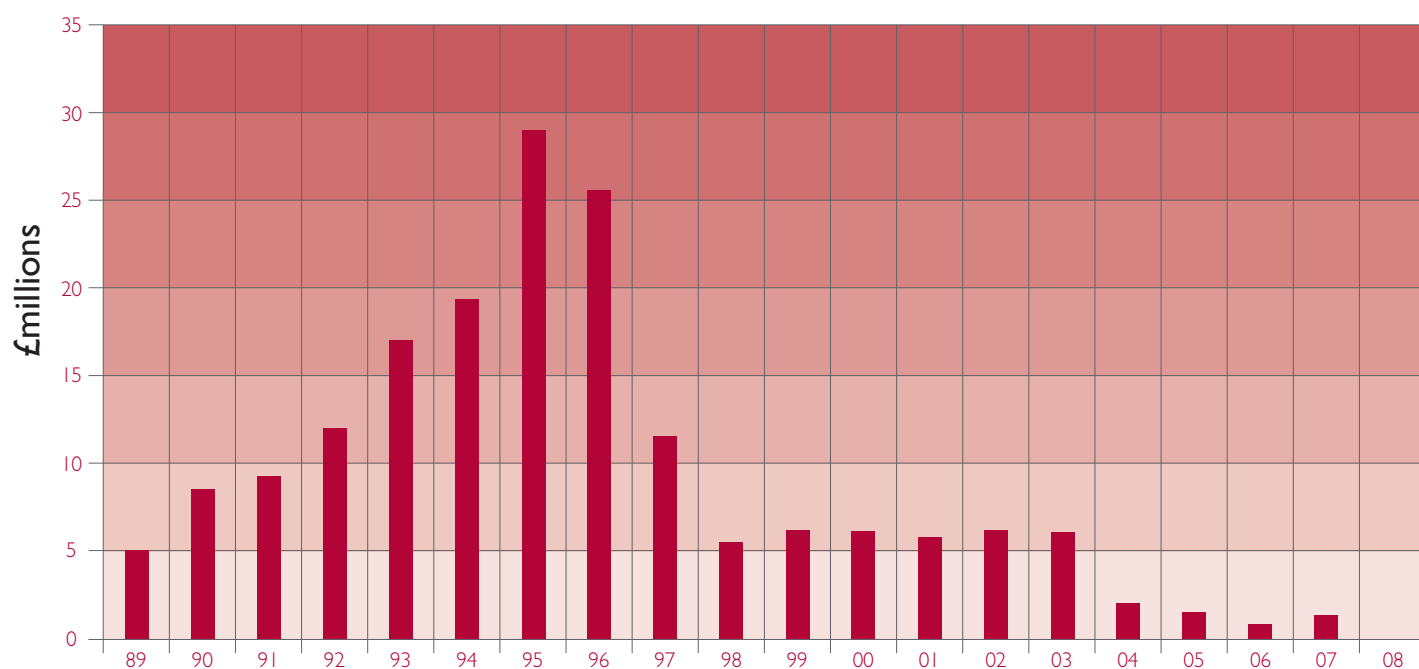
## c) Trends in Housing Corporation and DFG adaptation funding

### Housing Corporation funding

Chart 2.1 shows the pattern of funding of adaptations by the Housing Corporation from 1989 to 2008, adjusted to 2007 prices.

**Chart 2.1 Funding of adaptations by the Housing Corporation: 1989-2007**

(Figures adjusted to 2007 prices)



Sources:

- for years 1989 to 1995 Heywood and Smart (1996) Funding Adaptations, Bristol Policy Press
- for years 1995-1998, Appleton and Leather (1998) Carrying out Adaptations. London, Housing Corporation
- for years 1998-2008 Housing Corporation, direct enquiry, response based on aids and adaptations approvals.

*It should be noted that Appleton and Leather give a figure ('just over £1 million') for 1990-91 which is different from the Heywood and Smart figure given here.*

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Between 1989/90 and 1995/96, spending by the Housing Corporation on adaptations had risen from £2.8 million to £20.9 million (£29 million at 2007 prices), but in 1997/8 the Housing Corporation took steps to begin withdrawal. By 2003-4 the total Housing Corporation spend was £5.4 million and by 2004/5 £1.6 million. Unadjusted figures for 1998-2007 are given in Chart 2.2.

## Regional inconsistencies

There was no consistency between regions. Some were funding fully when others had reduced funding to nothing. Chart 2.2 gives an overview of the variations from 1998 to 2007. Full detailed regional figures are given in Annex 1.

It will be seen that in 2003, for example, the highest contribution was 57 times greater than the lowest. It can also be seen that the amount transferred in respect of all regions in 2008 (£1.5 million) was £1 million less than the expenditure in a single region in 2002 and 2003.

## Chart 2.2 Regional variations in adaptation funding, 1998-2007

(Figures not adjusted for inflation)

Year	Total Housing Corporation adaptation SHG (£s)	No of regions who funded (max 9)	Highest regional allocation (£'000s)	Lowest regional allocation (£'000s)
1989	4,221,399	9	1,277	81
1999	4,860,931	9	1,629	72
2000	5,052,311	9	1,625	93
2001	4,967,337	9	1,938	100
2002	5,261,293	9	2,157	103
2003	5,428,649	9	2,157	44
2004	1,639,835	6	323	0
2005	1,441,929	5	839	0
2006	879,287	5	461	0
2007	1,214,013	5	543	0

## DFG funding 1997-2007

## Chart 2.3 DFG funding, England 1997-2007

(000s)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Government contribution		59,000	64,849	71,800	84,800	88,000	99,000	99,572	111,294	120,723	138,250
Local Authority contribution	n/a	48102	51683	58922	60324	85784	95890	110717	109995	112105	n/k
Total spend on DFG	56000	107102	116532	130722	145124	173784	194890	210289	221289	232828	138250

Source CLG (Direct communication)

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The increase recorded here is from £59 million to £138 million in 10 years, without adjusting for inflation. Adjusted for inflation it represents growth from £73 to £138 million. Further increases in Government contribution were announced in 2008 to a total of £146 million in 2008/9 and £166 million by 2010, but a minimum level of corresponding local authority contribution is no longer guaranteed. The increase in funding was also accompanied by increased eligibility and grant levels, which have in some places used up all the extra resources. It should be noted that the DFG Review of 2005 identified an existing level of unmet need in 2003-4 running at 44% of their annual allocation. Meeting this would require £218 million per annum.

If funding from the Housing Corporation had continued at the level it was in 1995-96, (adjusted for inflation but without otherwise increasing), an extra £224.6 million in total would have been available in the years 1999-2008. The increase in Government spending on DFG in these same nine years, adjusted for inflation, was a total of £98.5 million pounds. This increase was not in respect of RSL stock and not related to the growth by over 1 million in RSL unit numbers but was a response to rising costs and growing demand in the private sector because of ageing and the increase in numbers of young disabled people.

These figures do not show how much RSLs themselves have put in to adaptations in this period, as this information is not collated. Nor do they show the contribution of local authority housing departments to adaptations for their own tenants, paid out of the Housing Revenue Account. In 1995, when the information was last gathered<sup>22</sup>, this contribution exceeded the total DFG budget. It is also known that some former Housing departments at the moment of transfer to an LSVT association have set adaptation budgets that have enabled them to deliver some of the best practice in the country.<sup>23</sup>

## **d) Other relevant policy factors**

### **Individual Budgets**

The Individual Budget Pilot Programme began in April 2006 and ended in December 2007. Individual Budgets differ from Direct Payments in bringing together a range of funding pools from different departments, not just the welfare authority. In some of the pilot areas they included the Disabled Facilities Grant. Reported experience so far is minimal, but as the policy is expanded it is possible that housing association tenants may choose to have individual budgets and therefore be able to control the budget for adaptations carried out to their home. This policy will add another complication to the adaptations agreement issue, as there will have to be agreement about which pool the funding comes from, as well as decisions regarding consent, ownership and maintenance.

<sup>22</sup> Heywood and Smart, *Funding Adaptations*, 1996

<sup>23</sup> At the Northern Housing Group's 2008 Adaptation Conference, a presentation by Wakefield and District Housing (LSVT of 2005) showed how and why they got three stars for their adaptation service when inspected. Improving the service had been one of the main planks of their transfer bid, and they had done so in a remarkable way, with a budget of £1.4 million per year (larger initially, to tackle the backlog) for a stock of 31,000. Because they were NOT using DFG funding (except for a few electronic items, or for top-up over the maximum limit), they were able to have an in-house OT service as part of an in-house agency. This may be an exceptional example, but it illustrates what is possible when there is geographical concentration and almost complete control of resources.

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## Comparisons: the systems in Wales and Northern Ireland

In both Wales and Northern Ireland the Disabled Facilities Grant (DFG) and housing associations exist as they do in England. But the systems for funding adaptations in RSL properties are different and are more akin to the system in England before the Housing Corporation changed its policies in 1998.

### Wales

- In Wales there is no longer an equivalent of the Housing Corporation, but there is a grant for housing association adaptations administered directly by the Housing Directorate of the National Assembly for Wales. It is the Physical Adaptation Grant (PAG) and is payable out of Social Housing Grant (SHG)
- Prior to the major review of DFG<sup>24</sup>, the situation was similar to the current position in England with some RSLs using DFG
- In 2005 The Welsh Assembly advised RSLs that tenants must no longer apply for DFG funding. Adaptations that would have qualified for DFG must now be undertaken using SHG only<sup>25</sup>
- As demand for SHG exceeded supply, in 2007 the Assembly Government advised that all associations would be expected *'to make a flat rate contribution to the cost of providing adaptations unless they can demonstrate that their business plans cannot support the cost of doing so.'*<sup>26</sup> The actual policy proposed is to cut the standard level of SHG from 100% to 80% and top-slice the contributions from the RSLs' allocation. In June 2008 final guidance was still awaited
- The document also clarified that dwellings transferred in Wales under LSVT after April 1st 2002 are not eligible for SHG to fund adaptations

### Northern Ireland

- There are approximately 40 housing associations in Northern Ireland, constituting 3% of the housing stock
- **RSL tenants are not eligible to apply for DFG.** Instead housing associations carry out the necessary works (this is to minimise delay) and apply retrospectively for Housing Association Grant which is administered by the Northern Ireland Housing Executive, under the supervision of the Department for Social Development. The grant is set at 100% to ensure there is no need for a rent increase to cover the cost of the work. The adaptations budget for housing association tenants in Northern Ireland is about £2.5 million
- Minor Works (under £1,000) can be undertaken without OT referral and are funded retrospectively by the NIHE. Works over £1000 must be based on an occupational therapist assessment. Where works are likely to cost over £7,000 the housing

<sup>24</sup> Jones, C (2005) *Review of housing adaptations including disabled facilities grants* – Wales Housing Directorate, Welsh Assembly.

<sup>25</sup> Decision report, 14th April 2008 *Interim arrangements for adaptations for disabled tenants of Welsh Registered Social Landlords.*

<http://new.wales.gov.uk/publications/accessinfo/dnnewhomepage/Housingdrs/Housingdrs2008/adaptation4disabldtenants/?lang=en> accessed June 30th 2008.

<sup>26</sup> Housing Directorate, Welsh Assembly Government (September 2007) *Adaptations for housing association tenants: consultation.*

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association is required to carry out an options appraisal exercise. The default position is adaptation but moving options will also be considered. This system of option appraisal can cause delay

- Since 1998 in Northern Ireland, most new build RSL housing has been to Lifetime Homes standards. It has been noted that the number of major extensions in this sector are relatively low in comparison to other sectors. Ongoing monitoring is proposed to investigate whether the investment in Lifetime Homes is steadily reducing the need for costly extensions

## e) Summary of legal position and guidance on financing RSL adaptations

The ultimate duty to ensure that disabled people are informed of their entitlements and supplied with adaptations lies with social services authorities (CSDP Act 1970) but they do not have the resources to meet all the need. They also have a specific duty to supply equipment and minor adaptations up to £1000 for people who meet the criteria (Community Care Delayed Discharges Regulations, 2003). These criteria are partly locally determined and increasingly tight, so cannot be relied on to supply all tenants' needs. For major adaptations, social services authorities are most likely to use their budgets to 'top up' in cases where the mandatory grant limit is not enough to pay for the cost of work or to pay assessed DFG contributions where these cannot be afforded.

**Housing authorities** have for some years received ring-fenced budgets for the mandatory Disabled Facilities Grant (Housing Grants, Construction and Regeneration Act 1996). This subsidy had to be matched with 40% from their own sources. The requirement for matched funding was abolished in 2008<sup>27</sup> and the Government is piloting the removal of the ring fence, with the clear intention that this will become general policy. The upper limit for a DFG is now £30,000 and there is no duty on the housing authority to fund above this cost, though successive applications are allowed.

**Tenants of registered social landlords** are eligible to apply for mandatory Disabled Facilities Grants, subject to a test of resources. But in most local authority areas demand for Disabled Facilities Grant exceeds available resources so that following this route may involve considerable delay for the tenant (Housing Corporation 1998 p13). It also creates problems about who is responsible for maintenance and repair of the adaptation. If housing associations apply for DFG in their own right, local authorities are entitled to take their resources as landlords into account in determining the level of the grant.

Since 2008, the Housing Corporation, which as a public body has a disability duty, has stopped giving Social Housing Grant for adaptations. In the announcement it said that RSLs should

<sup>27</sup> Statutory Instrument 2008 No.1189. Housing, England. The Disabled Facilities Grants (Maximum Amounts and Additional Purposes) (England) Order 2008.

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build in funding of adaptations as part of their core activities. There is a similar message from Government in the adaptations chapter of Lifetime Homes, Lifetime Neighbourhoods (2008).

**In short: social services have the legal duty, but not enough resources to meet this duty fully; and housing authorities have some resources for the mandatory DFG, but not enough to meet all demand. The Housing Corporation and the Government, while not denying the legal entitlement of RSL tenants to DFG, clearly expect housing associations to contribute to the cost of adaptations according to their means.**

# Chapter 3

## Barriers to effective Adaptation Agreements



# Barriers to effective Adaptation Agreements

The barriers to effective adaptation agreements that have been confirmed or revealed during this research fall into the following main categories:

- a) Confusion and lack of clear guidance
- b) Structural factors restricting national initiatives
- c) Regulation factors: lack of incentives for investment in adaptations
- d) Diversity of associations and authorities, including diversity of their resources
- e) Misunderstandings caused by lack of knowledge within and between sectors
- f) Lack of trust and confrontational approaches
- g) Problems of communication in setting up an agreement
- h) Problems of communication in maintaining an agreement
- i) Monitoring expenditure, predicting needs and managing budgets
- j) Human and financial resources

This chapter gives more detail on these points, based on the information from those we interviewed. Chapter 4 then shows how professionals in various places have made progress in overcoming the barriers and Chapter 5 pulls out some general guidelines for setting up an adaptations agreement.

## **a) Confusion about law and funding, and lack of clear guidance**

### **Confusion**

The confusion revolves around the mismatch between the letter of the law that says tenants have a right to apply for a DFG and the size of local authority DFG budgets. These budgets were intended originally for owner occupiers and private tenants only (sectors where there had previously been no housing funds for adaptations). The needs of tenants in council and housing association homes had been met by their landlords. Many RSLs would be quite willing to continue with this practice if they thought there was equity with their competitor associations, but because they are told that their tenants have a right to apply for DFG, they are left in a quandary about how to use their resources for the maximum benefit of all their tenants.

“It is a terrible mess and has been a mess too long.”

(Local Authority Housing Partnership officer)

“Government policy on the funding of adaptations is very confusing for both customers and ourselves”

(CEO of very large RSL)

# Barriers to effective Adaptation Agreements

There are different perspectives on the 'rights and wrongs' of who should fund, and these, often unspoken, views form barriers when attempts are made to get local agreement. RSLs sense that Government is relying on their goodwill to make it possible to have a much larger pool of funding for adaptations than would otherwise be the case. Some accept this but resent the muddle and inequality this moral pressure produces. Others think there is an inherent injustice because tenants are paying council tax towards local DFG funding and rent towards association adaptation funding. Others are explicit that their duty is to their tenants only and they have no obligation to take a wider perspective.

“Government doesn't want to turn people away, but there is not enough money to give everybody what they want”

(Senior Housing Authority Officer)

“Basically, the DFG grant should be extended so it is available to everyone. But Government doesn't want to do that: they think it is our responsibility, which is a bit harsh.”

(Housing Policy Manager of a very large RSL)

## Lack of clear guidance from Government and Housing Corporation

“It needs to be understood what this Housing Corporation funding was for anyway. For big associations, the Housing Corporation assumption was that RSLs would pay for adaptations themselves. If they instead applied to local authorities for DFGs it was an aggravation to those authorities, who would suggest to the RSL they should get the funding from the Housing Corporation.”

(Housing Corporation Regional Manager)

This quotation from our research illustrates the thinking of the Housing Corporation that underlay its actions for a decade, but was never spelt out in unequivocal terms. The extract below from the Feb 2008 CLG/Housing Corporation letter of guidance to RSLs shows advice that is self-contradictory and illustrates the problems of interpreting such guidance over the years.

- As good social landlords the Housing Corporation **expects RSLs to consider the need for adaptations**
- However, there is **no statutory responsibility for the Corporation to fund adaptations**

# Barriers to effective Adaptation Agreements

- The statutory responsibility for funding adaptations is the **duty of the welfare authority** (Chronically Sick and Disabled Persons Act 1970 and 1996 Housing Grants, Construction and Regeneration Act)
- This guidance does not alter the **mandatory entitlement of RSL tenants to a DFG** in the same way that, say, an owner occupier might apply for and receive an adaptation from the main DFG programme
- RSLs and local authorities are encouraged to work closely to identify likely need to help plan and deliver adaptations and to enter into clear partnership arrangements for the provision of DFGs. **It is expected that RSLs build into their business plans the funding of adaptations as part of their core activities**
- Given the increasing numbers of older people, **the need for RSLs and local authorities to have in place appropriate measures to meet the growing need for adaptations will become even more important in future years**

(2008 Letter of Guidance from CLG and the Housing Corporation to CEOs of all RSLs, Feb 29th, emphasis added)

## **Poor track record of Housing Corporation in leading on adaptations issues: lack of expertise.**

It was felt by many that the Housing Corporation has not given clear leadership on adaptations to associations, nor communicated important issues well. There was disappointment at the weakness of the Corporation's action on Disability Action Schemes (see below). There was also evidence of RSL professionals feeling they were left in the dark on adaptations issues.

“Last December I was concerned to discover- in an almost hit and miss way – that the Housing Corporation would no longer be funding miscellaneous works. I needed a clear answer on this...I found out when looking for something else, then asked the Partnership and had to run around trying to discover more...A small organisation needs clarity. Any major changes to budget or policy affecting tenants must not be lost in non-useful e-mails. What we are getting is not CLARITY, and I don't think the message about this funding is out there plainly.”

(CEO of a moderate sized RSL)

Beyond the point of a lack of general guidance on funding issues, some respondents listed the lack of explicit detailed guidance on making local agreements as a barrier to progress and felt there needed to be more knowledgeable officers who could offer expert and detailed advice.

# Barriers to effective Adaptation Agreements

## **b) Structural factors restricting national initiatives**

These are some of the factors affecting RSL/local authority ability to achieve adaptation agreements:

- Relative unimportance of the issue in perceptions of many lead officers, cabinet members and CEOs (as compared with housing shortage, decent homes, new development)
- The LGA says that it might be able to offer useful structures for achieving agreements. But within the LGA the problem has not so far come to prominence
- The LGA also reflects that it is not viable for a local authority to talk to 150 RSLs (or even 50) but that the idea of stock swaps to reduce the number of RSLs in a given area has been tried and failed. The Housing Corporation carried out reviews in Manchester and Hampshire c. 2005 but RSLs did not want to do this
- The CAVE review showed that where housing associations are not developing, local authorities have no powers to call them to account
- It is difficult to make any single rule because of the myriad variables within housing associations: even between parts of the same RSL in different areas

## **c) Regulation factors: lack of incentives for investment in adaptations**

On the issue of fairness, there was a sense that moral pressure is being exerted on housing associations to put money into adaptations but the regulator is not being fair in thinking this through. If more money is put into adaptations, where does it come from? If it comes from revenue and the repairs budget, there will be less to spend on repairs, so they will be seen as less efficient. If it comes from recycled grant, that money will not be available for development.

This would be acceptable if it were acknowledged and if there were more fairness between associations. It would be galling to see an association that pays for no adaptations being lauded for its efficiency on repairs, compared with one that is putting considerable resources into adaptation. This sense of a lack of understanding is certainly acting as a brake on associations. If there were a standard expectation that applied at least to all large housing associations and acknowledgement of good adaptation practice in regulation and inspection, it would help considerably. Views were expressed at the discouragement that follows for those who try to do well by their disabled tenants when others are not called to account or policies are not enforced.

# Barriers to effective Adaptation Agreements

“Structurally, Government needs to play a part. How do you deal with an RSL that’s put it’s name to an adaptations agreement but doesn’t deliver? There is now also supposed to be a commissioning and action plan under the DDA, but we are not being chased for that.”

(Director of Housing & Care Services, medium sized RSL)

“Corporation announced last year that Disability Action plans were required by end of 2007. This is a major disappointment. Earlier there was statutory requirement for disability equality **schemes**, now it has been watered down to be just voluntary. Moreover, Housing Corporation has said it has no intention to monitor or assess these plans, just ask occasionally whether RSLs have got them.”

(A Housing Partnership co-ordinator)

## **d) Diversity of associations and authorities, including diversity of their resources**

There are variations in the relationships between local authorities and RSLs across the country. There are many examples of effective partnerships on home adaptations, but often they are between one local authority and one RSL, or in unitary authorities where the number of RSLs is relatively small.

It is much harder to get agreements that satisfy all RSLs in larger local authority areas where there may be a range of different RSLs from very small localised housing associations, specialist associations, and regional and national housing groups. Funding arrangements are difficult to negotiate when some of the larger and more established RSLs have reserves and reasonable adaptations budgets, whereas other associations have very few resources.

For the regional or national RSLs themselves the problems are even more complex. They have to try to come to arrangements with many different local authorities and what works in one area will not suit the circumstances in another, possibly adjoining, area. Some of the larger housing groups have dedicated staff appointed to develop partnerships, but many RSLs do not have the resources to do this.

There is a further layer of issues around LSVTs. Their business plans should have made provision for expenditure on adaptations<sup>28</sup> but auditors and committees have different agendas such as new build, affordable homes, and energy efficiency which limit the budget available for adaptations. In at least one local authority area, LSVT applications are using up the majority of the DFG budget.

<sup>28</sup> See chapter 2

# Barriers to effective Adaptation Agreements

The problems of joint working are particularly acute in London where so many RSLs work across local authority boundaries.

It is equally time consuming and difficult to organise agreements in non-unitary authorities where OT assessments are usually controlled by social services at county level, and DFGs are dealt with at district level.

There are still some authorities who are clearly not allowing RSL tenants access to mandatory DFG funding because of excessive demand, long waiting lists, or a mistaken belief that RSLs still get Housing Corporation funding.

In some areas there is also confusion about where home improvement agencies and local authorities' in-house agencies sit in relation to RSLs and adaptation work.

## **e) Misunderstandings caused by lack of knowledge within and between sectors**

Our interviews showed that the complications of adaptation funding are often not fully understood. This is especially likely for those for whom adaptations are a relatively minor issue. There were misapprehensions or lack of some key knowledge from people in all positions in all organisations and at all levels. For example, the position of ICES and the supply of free minor adaptations is something that is completely unknown to some people in RSLs and housing authorities. One housing association manager who had not heard of this provision checked with her supported housing managers and found that work was indeed being carried out through this source, but it was not known to senior management because it did not require RSL resources.<sup>29</sup> This lack of knowledge is not surprising or unreasonable. Even amongst real experts it was not possible to find agreement on, for example, the question of who is means tested in a landlord's application for DFG (but see chapter 2, section b).

Knowledge is important, though, for misinformation at high levels can lead to harmful decisions. Lack of knowledge inflames lack of trust, as described below. What the findings show is the need for systems of communicating important information on adaptation funding as succinctly as possible to all involved.

<sup>29</sup> In the review of the disabled facilities grant in 2004 (ODPM 2005) 58% of social services respondents in the national survey answered 'yes' to a question asking if they 'had formally agreed a policy with the housing authority and with housing associations about which minor adaptations they would fund'. It is not apparent from the (albeit less systematic) fieldwork in this research that a similar proportion of housing associations are aware of such agreements. This may mean that adult services think that housing organisations understand what they will fund, when awareness amongst both strategic and operational housing staff is actually very slight.

# Barriers to effective Adaptation Agreements

## f) Lack of trust and confrontational approaches.

“Rumours are rife – feeling that some people may be getting better value than others.”

This quotation refers to the different contributions that RSLs with similar resources may be making, and the speaker went on to say why it was therefore so important to have a proper adaptation agreement. But inequality between associations is not the only issue. There are very strong feelings about the obligations of adaptation funding. Where parties feel there is an unjust situation they may swiftly become quite angry at those they feel are responsible. We give a few quotations here to give a flavour of what are quite common sentiments.

“Why should social housing tenants who pay council tax just like everybody else be penalised? In effect they end up paying twice. An owner occupier can get DFG why can't a housing association tenant? That's the real issue.”

(RSL officer)

“Housing Associations know they ought to contribute but they just won't.”

“They want to focus on new build. They don't want to pay to adapt properties.”

(Local Authority officer)

“We don't want to spend money if work is grant fundable. Why are tenants treated differently to other members of the public? Why do local authorities put moral pressure on RSLs? RSLs can't kick up a fuss if they have other projects with that same authority.”

(RSL officer)

“From experience in a local authority before joining Housing Corporation, I knew that some RSLs would refuse to carry out their own adaptations and say that the Housing Corporation was refusing to fund them, when in fact they had plenty of recycled grant that would have covered the costs.”

(Housing Corporation Regional Manager)

# Barriers to effective Adaptation Agreements

With these feelings either openly expressed or just below the surface, people may approach a local agreement in the spirit of hoping that it will force the other party to pay, or make them admit they are misguided. This confrontational starting point is another barrier which will have to be tackled.

## **g) Problems of communication in setting up an agreement**

### **Relative unimportance of issue**

One RSL manager told us that although adaptations were her responsibility, they constituted only about 2% of what she does. Where this is the case, there will clearly be problems in securing the involvement of the person concerned.

### **No dedicated officer**

It works better in housing associations where they have a dedicated person with clear roles, resources, procedures and contact details. Also, size matters. In the smaller associations there are fewer people, so sometimes they are more committed and communication is easier. In large associations, adaptations may be lost from sight where no-one has clear responsibility and the focus is on other issues.

### **Making contact and finding the right officer**

This first step can be a major hurdle. If you do not know who to speak to and the website gives no clues about names of relevant officers, it seems reasonable to phone the housing association and ask for guidance. But housing association call centres are not usually set up in a way that is friendly to calls from non-tenants. The caller is asked for their address and the reply that it is a general enquiry is met with puzzlement. It can be almost impossible to speak to anyone who knows who would be the right person to talk to about adaptations.

In one London Borough, the occupational therapy service has found that 2.5 days a week of occupational therapist time is spent simply on trying to contact housing associations to arrange individual adaptations for their tenants. This means a cost of around £24,000 per year and a loss of precious time for contact with clients.

Finding officers at the right level for making agreements has its problems too. Staff dealing with day to day problems may have no decision-making powers, while managers may not know enough to make the best decisions.

# Barriers to effective Adaptation Agreements

“The rub is that representatives at meetings for everything we do are either too junior (can’t carry the organisation as a whole) or too senior (too far up the tree to really have any ownership of these particular issues). It needs a very particular kind of individual, perhaps a second-rung manager with a real commitment to working locally and I think a real commitment to their tenants.”

(Partnership co-ordinator London)

An extra hurdle is that those who are the key people may not see adaptations as a very important part of their role. They need to be brought on board.

Contacting local authorities has its problems too, but because adaptations are a more core business for a section of council officers, council switchboards are more likely to be able to give a name and number.

## **For local authorities – the need to contact so many housing associations**

The problem here is self-evident. Many areas have a Housing Association Liaison Group but they may have sparse membership or attendance, and this is a topic where one RSL cannot necessarily speak for others. This means a local authority officer trying to set up an adaptations agreement will have to make separate contact with perhaps 80 associations, with all the difficulties of discovering who to contact. The officer will then have to choose between a meeting (hard to achieve) or some other form of consultation.

## **Competitive restrictions on information sharing by RSLs**

RSLs may be social housing landlords, but they are also businesses in competition with one another and may not wish to share financial information. This may be another reason why a meeting is probably not the best way to achieve a local agreement. But the one-by-one approach is very resource-intensive in terms of local authority officer time.

## **For national RSLs – the need to contact so many local authorities**

If the instigator of the local agreement is an RSL rather than a local authority, the situation is repeated in reverse. The RSL officer who is given the responsibility of achieving such agreements faces all the same difficulties of contacting disparate authorities as well as other associations and going to and fro to achieve progress. The County District split is also a serious problem for RSLs wanting to make an agreement within a county. They have to attend meetings with the county because that is where the DFG assessment is located, and also meetings with a series of district councils who hold the DFG budget and who may all want different amendments.

# Barriers to effective Adaptation Agreements

## h) Problems of communication in maintaining an agreement

### Other members of the organisation unaware of agreement

Even where agreements are in place it seems to be hard to make them effective. Decisions taken at senior level may not filter down to people on the front line; and staff often have so many demands on their time that adaptations don't receive any priority.

### Difficulties maintaining contacts

In places where staff turnover is high, such as many parts of London, knowledge may not be transferred. We found one case where a new senior officer for adaptations had been in post a year without knowing clearly that the local agreement existed.

“The people who do adaptations – it's not their entire job. You would not believe the chasing around we have had to do to get jobs off the ground. Even the ones that are signed up to our agreement – it's still a struggle.”

“There seems to be a high turnover of staff of the principal people who handle this type of work. The number of times I have heard someone pick up the phone and say, “I'm new here. I don't know anything about it. I'm picking up the reins from Mrs X who has just left...”

(Local authority officer)

### Communication about particular cases.

Where local authorities take over a case and do all the work there is also a need for them to report back to the relevant housing association. As one housing association officer stated,

“With some local authorities the only thing we know is when we get the owner's certificate and we may never hear anything again. To us it's a bit worrying. We want more information – we try asking for information but they don't reply most of the time.”

Similarly, staff in a Home Improvement Agency complained that the local authority officers did not pay heed to their requests about communication. The administrative officers said they continually requested the local authority to communicate with them on the confirmation of ownership certificate, but the authority still sent the relevant messages to a more senior officer who was out of the office most of the time.

# Barriers to effective Adaptation Agreements

## Unilateral cut-back decisions impacting on agreements

Lack of knowledge has led organisations (RSLs, the Housing Corporation, local authorities) to take decisions to 'cut back' without considering or discussing the consequences with those who will have to pay instead, or calculating the harm to tenants. An adaptation agreement would enhance the chance of such decisions being thought through and perhaps modified.

Several RSLs complained that important decisions were communicated by email, and that it was hard to get local authorities to understand the RSLs funding situation. With more direct dialogue better agreement might perhaps have been reached (but see resources question below).

It's not just local authorities that are at fault. A council in the North West told us that:

"Three weeks ago we got a letter from an RSL. It asked us to sign a service agreement for us to do the OT assessment within four weeks. As you can imagine that didn't go down well. We have replied to ask what they (the RSL) are putting in!"

## i) Monitoring expenditure, predicting needs and managing budgets

Many RSLs have not kept accurate data on adaptations. Minor works get lost in general maintenance and repair costs. Even when major works are completed they are not always separately identified under an adaptations heading. This makes it hard to argue for DFG resources.

RSLs also do not have accurate databases about their tenants and often do not know how many people in their stock are in older age groups, particularly those 85+. If this was known it would be easier to predict expenditure needs.

Local authorities also do not always know how much DFG expenditure is going to RSLs, or what the need is in the RSL stock.

If RSLs agree to a budget they will spend themselves before seeking DFG funding from the local authority, there is a risk that the local authority may be tempted to drag its feet on applications from RSL tenants so that they will become eligible for the next year's swathe of money from the RSL.

# Barriers to effective Adaptation Agreements

## **j) Human and financial resources**

The main problem is that there are budgetary and staffing implications. Adaptation agreements need to be properly resourced and need effective databases and IT systems. We had a comment from one local authority team leader that housing officers were supposed to input details of each adaptation, what it cost, start date, end date etc but they often didn't. So the systems were there, but they were not used properly. The net result was that she knew her records were under-reporting what had been done. For any adaptation agreement to be effective adequate resources need to be allocated to basic monitoring systems so that the partners are clear about how the service is operating and are accountable.

# Chapter 4

## Progress in Developing Adaptation Agreements



# Progress in Developing Adaptation Agreements

This chapter describes the progress that has been made in developing adaptation agreements. Descriptions of the three agreements explored most fully in this research are given first, with some details of both good outcomes and problems. Seven other agreements of which we learnt are subsequently listed and aspects of their contents are described under themed headings for ease of reference.

## **I. Leeds City Council SLA (2007)**

Leeds City Council has had an agreement for nearly ten years for a 60:40 funding split with RSLs, which has worked well. After internal reorganisation in the City Council and the formation of an Adaptations Agency they introduced a SLA for the use of the agency service. The current documents include:

- a tenants agreement to use the Leeds Adaptations Agency service
- a client and contractor agreement
- client and contractor contract
- certificate of ownership, and
- a standard schedule

There are 21 RSLs. About a third are now using the full agency service and paying 40% which includes the agency fee of 10% for schemes under £10,000 and 15% for schemes above this amount. A third are not using the agency, but still contributing 40% to the cost of work including a fee of 6%. The rest are claiming full DFG.

Leeds has developed a streamlined agency service that can deliver adaptations quickly and efficiently, and it would like all RSLs to use this service. The ones that are using it are generally very pleased with how the service works. RSLs which don't have the staff resources to carry out adaptations themselves, or feel that the local authority has more technical expertise, are happy to hand over cases to the Leeds Agency and contribute to the costs and pay fees.

Other RSLs have their own in-house teams and their own contractors (and in one case their own agency) and therefore prefer to do the work themselves. Some of these still contribute to the costs, but others don't. Other, smaller RSLs have more limited resources and struggle to pay a contribution, but these usually have very few adaptation cases. When asked why they were not contributing to costs most of the RSLs concerned cited budgetary constraints, or simply that they felt they had a right under the legislation to full DFG funding.

A key problem in such a large authority has been maintaining communications with so many different organisations. The local authority has considered having joint meetings with all 21 RSLs, but this is not a viable option. Wherever possible the local authority has met with

# Progress in Developing Adaptation Agreements

individual associations or relevant small groups, and has also tried to maintain contact in other ways, either by phone or email, reinforced with offers to meet directly if this is wanted.

But inevitably with such a large and varied group of RSLs communications can go awry and some said they were not fully consulted about changes. This may have contributed to some RSLs opting out of the agency service and no longer contributing to funding. But this is hard to overcome when there are high levels of staff turnover, where there are staff who only spend a small proportion of their time dealing with adaptations, where there are national or regional associations with only a few properties in the area, or just where contact details have changed.

Leeds is a major authority with many older people in general needs stock needing adaptations. There is a large adaptations budget, and one of the largest turnovers of DFGs in the country. This adaptation agreements was one of the first to be developed and it has been very effective for a long time. The restructuring of the adaptations service has increased the speed of delivery while maintaining work quality and giving a high degree of customer satisfaction. It is working well for the majority of RSLs. But any large authority wishing to set up a similar agreement with multiple partners needs to be aware of the difficulties of keeping all the partners on board. Leeds is developing some new initiatives to try to strengthen the partnership arrangements.

## **2. East London Housing Partnership East Sub Regional Adaptations Protocol for RSLs (Jul 2007)**

In London RSLs straddle numerous boroughs and each borough has to deal with associations ranging from national or cross-London groups to small organisations serving perhaps a minority ethnic community or a few hundred transferred tenants. In at least two areas, sub-regional protocols have been developed to try to improve efficiency and quality of service. This pioneering one for the East London sub-region of eight London boroughs involved agreements with 40 RSLs.

The lead came originally from a borough which had a partnership team already dedicated to liaison work with housing associations. Responsibility was passed to the Senior Occupational Therapist in Housing when the partnership manager moved on. The agreement was drawn up to get a better service for RSL tenants and a more uniform response from RSLs about contributing to DFGs, to make budgets go further. It also aimed to improve communications and help to streamline the service, because of the time spent by local authority officers trying to make contact and reach agreements for each individual case.

Attempts to arrange things through discussion and negotiation at meetings were undermined because only those who were already the most committed attended. The Partnership Lead

# Progress in Developing Adaptation Agreements

Officer sent a letter to CEOs of 40 RSLs with properties in that borough and the majority signed up to the protocol.

The protocol is a short document (5 pages). It states that minor works under £1,000 are the responsibility of the RSLs. It was hoped that major works would also be funded by RSLs and that they would use DFG only if they could demonstrate that they had set a reasonable budget and had exhausted it. In practice, however, most apply for DFG without going through this process.

The protocol states that the landlord should apply on behalf of their tenant, although this has now changed. The purpose of requiring a landlord's application was to ensure that the RSL would be responsible for the maintenance and servicing of equipment such as stair lifts.

There is a commitment in the agreement to monitoring, review and the setting up of a housing register, but the protocol does not go into any detail about how this should happen. There is a flowchart of responsibilities for stages of work with some target times.

This protocol has improved working relations with selected boroughs and some RSLs. But although the protocol has some enthusiastic supporters, in practice it has no teeth. It has proved difficult to administer in a sub-region with so many different RSLs and very high levels of staff turnover, and it is being reviewed.

Random interviews relating to this protocol showed that it was possible for:

- a Chief Executive of an RSL to have signed the agreement but for other staff subsequently to be unaware of its existence
- an agreement to be working while the Chief Executive of the association was unaware it had been agreed
- a senior adaptations officer in one of the partner local authorities, appointed after the original agreement, to be barely aware of its existence

The interviews also revealed that people who had been reluctantly involved originally had become enthusiastic advocates for a co-operative approach to the problem, for the benefit of all disabled people in the area. Officers involved with this protocol (not as originators) said:

“The best bits are not actually in the protocol. The best parts are good joint working across local authorities and RSLs. They don't agree on the way to address the problem, but they do agree that it needs to be addressed.”

# Progress in Developing Adaptation Agreements

## 3. Stockport Housing Partnership III Framework for Funding Major Adaptations (2004)

Stockport MBC has had a protocol with five RSLs for several years. It was developed after issues about adaptations were raised in a housing forum. A sub-group of RSL and local authority officers developed an agreement to sort out the funding arrangements for RSLs for major adaptations and to enable the service to run more smoothly. They also wanted an approach that was more customer-focused and more fair and equitable.

RSLs do all minor works under £500. For major works over £500 tenants are invited to apply for a DFG. A cumulative record of all grant funding is kept and 50% of this is repaid by the RSL's as a lump sum the following year; the sum being limited to an agreed ceiling which is based on the amount of stock held by the RSL in Stockport as of 2004. The ceiling has worked well to enable RSLs to plan their budgets.

Stockport MBC has an in-house agency which RSLs are not obliged to use but currently all five do. They get quarterly reports on referrals and work completed. RSLs are responsible for maintenance and repairs outside the warranty period.

Most RSLs were happy with the arrangements. There were a few suggestions about improving the service which included: better communication if cases were delayed, possibly changing the payment cycle from annual to quarterly and extending the agreement to cover other adaptation issues.

From the local authority standpoint the agreement has worked well. The Framework is coming up for review in 2009 but few changes are envisaged apart from adding a new LSVT to the agreement.

### Other agreements – points of value

The other agreements learnt about during the research are listed here, with core information. Some further details from them will be found under the themed headings that follow:

- **Birmingham** Independent Living Protocol between Birmingham City Council and RSLs in Birmingham
- **Blackburn** (draft) The Blackburn Independent Living Service in Blackburn with Darwen is funded by the Social Services Department. It offers an adaptation service to several RSLs in the area and has draft written agreements with some of them
- **Manchester** The Manchester Equipment and Adaptations Partnership (MEAP) SLA (3rd edition Mar 2008) is an agreement between the local authority and over 20 RSLs in Manchester

# Progress in Developing Adaptation Agreements

- **Rochdale** SLA between Northern Counties Housing Association and Rochdale (2008). Rochdale also has informal agreements with other RSLs
- **St Helen's** St Helens MBC agreement with Helena Housing (March 2006). This is an LSVT organisation. St Helen's also has working arrangements with a few other large RSLs
- **South East London** SE London Housing Partnership (2008). This covers five boroughs and about 20 housing associations in South East London. It came into force in summer 2008
- **Suffolk** Suffolk protocol (2002). Agreement including County council, districts and RSLs. Is no longer in use but is a high quality document and especially valuable because it was devised for a county structure

## Details from these adaptation agreements

### Setting up the agreement

As in Stockport and East London, the Birmingham agreement was negotiated by the local authority with an existing housing association liaison group (Birmingham Social Housing Partnership (BSHP))

The Manchester (MEAP) agreement was an outcome of the existence of a strategic service that was set up to develop a city-wide register of adapted and adaptable housing and to coordinate re-housing.

The Rochdale SLA was drawn up by Northern Counties Housing Association to formalise practices that had been working well for a number of years. Northern Counties has been very active in several of the other agreements (see below).

South East London has drawn on the experience of East London and other agreements. A dedicated partnership officer produced a draft consultation proposal. He then made individual contact with the relevant RSLs and other partners, using the feedback and repeated visits to revise the agreement document.

The Suffolk agreement was developed by the Physical and Sensory Disability Task Group comprising social care, health, local district authority, housing association and disability organisations representatives and service users to establish a fair system that could be applied across the county, as part of the HImp planning process, following evidence of poor service and long delays for RSL tenants. This working group was led by one district council (all other districts led on different topics).

# Progress in Developing Adaptation Agreements

## Levels of contribution agreed

In the areas examined in this study the level of contribution paid by RSLs varied enormously. There was not even consistency within each local authority area.

As already stated, in Leeds there is a 60:40 split, but some RSLs claim 100% DFG. In Stockport costs for work over £500 are split 50:50 up to a ceiling determined by the stock levels of each RSL. In the East London sub-region RSLs are supposed to use DFG for work over £1,000 only if they can demonstrate that they have set a reasonable budget and have exhausted it, but many apply for DFG without going through this process.

Northern Counties Housing Association (part of the Guinness Partnership) is one of the most active RSLs in terms of negotiating formal agreements over funding. They have agreements with several authorities including Rochdale, Stockport, Blackburn with Darwen (draft only), Leeds, and Manchester. Their current policy is to do all work under £500 themselves. Over £500 tenants apply for DFG with a 50:50 split in funding between the housing association and the relevant local authority.

In Manchester (MEAP) at the time of the research, only one RSL contributed 50% to DFG funding. The others paid nothing towards minor or major adaptation work carried out by MEAP. But due to rising demand and increasing waiting lists a financial contribution from RSLs for major works is likely to be necessary.

In Blackburn RSLs each pays different percentages towards major works – ranging from 20% to 50% of costs.

In South East London, minor adaptations under £1,000 are the responsibility of RSLs following the Housing Corporation/College of Occupational Therapy guidance on minor adaptations (see below under '*Use of MAWD*'). RSLs are encouraged to maintain adaptation budgets in proportion to their stock numbers, assets and reserves. For major works, the tenant, not the landlord, applies for DFG other than in exceptional circumstances. Responsibility for equipment such as stair lifts or shower units shifts to housing associations once warranties have expired and it is agreed that tenants should not be charged for the maintenance or servicing of adaptations or equipment.

In St Helens, the agreement states that Helena is to do minor adaptations up to £1,000. Major adaptations can be funded by DFG with a contribution of up to 60% from Helena. In reality Helena pays St Helens BC to carry out all Helena's adaptations and contributes £520,000 pa towards minor and major adaptations, and the maintenance of stairlifts. This amount hasn't changed since the agreement was set up and may be renegotiated. One other

# Progress in Developing Adaptation Agreements

RSL in St Helens pays everything up to a budget of £10,000 before using DFG, and another pays 50% on jobs funded by DFG costing over £2,500.

In Birmingham there is an up-front statement about the difficulties the City Council is facing and the consequences for RSLs. It says *'The City Council is unable to meet the demand from residents for adaptations to their homes and has sought the help of housing associations; asking them to take responsibility for carrying out non-priority adaptations in tenants homes'*. The agreement is that only high level cases will be carried out by the local authority using DFG on receipt of the OT assessment, provided the work is reasonable and there are no other options. It states that *'the amount of money set aside for adaptations (by RSLs) should be proportionate to the numbers of properties in Birmingham, and expenditure will be monitored'*.

## Communication

Manchester (MEAP) has good communications with regular reporting and bi-annual meetings with partner RSLs, many of whom are enthusiastic about the service. It has developed a series of standard forms including: request for assessment, outcome letter, nomination request, and landlord consent.

Stockport issues regular reports to its five participating RSLs. In Rochdale there are a limited number of RSLs and so communication is relatively easy. In other areas many respondents said they would like regular reports and better communication so that outstanding issues could be resolved more easily.

## Integrated strategic approach

One of the RSL co-ordinators said the Manchester (MEAP) set-up was the best she knew of, and this was not just because the service was paying for most RSL adaptations (this is having to change) but because of the strategic, integrated approach offering parity to all tenures. The service has developed as a one stop shop for all adaptation needs in Manchester. It is part of Adult Social Care and has a team of about 160 people based in one building doing over 1,000 assessments a month. It includes an assessment team, technical team, community equipment store, technical workshop and re-housing team. It has a very effective database, monitoring and information system.

In South East London, the use of the sub-region rather than individual housing authorities as the basis for an agreement is found to be very beneficial. Boroughs are encouraged to share the results of benchmarking for adaptations with RSLs to improve service standards and to develop a more consistent service. Some proposals are made for sharing information on new adapted properties and RSLs are able to delay fitting out new homes until a tenant is identified. There are also co-ordinated arrangements for re-letting adapted properties.

# Progress in Developing Adaptation Agreements

## What the agreements cover

### **Manchester** (MEAP) SLA covers:

- assessment
- allocation and nomination to adapted and adaptable properties
- accompanied views/risk assessment
- top up adaptations
- DFG/landlord consent
- relocation packages
- repairs and maintenance of adaptations
- removal of major adaptations
- releasing adapted properties
- RSL new build
- Eligibility
- disputes/arbitration
- performance and communication

### **Suffolk** agreement covers:

- processing and prioritising of adaptations
- procedures for minor and major works
- arrangements for joint visits
- jointly agreed timescales between providers and occupational therapists
- monitoring and review
- a standardised customer satisfaction survey
- consistent customer care experience throughout the county

### **St Helens** agreement covers:

- staffing
- customer care
- roles and responsibilities
- referrals
- criteria and priorities for DFG
- monitoring and review
- customer satisfaction
- budgetary control
- variations
- defaults
- arbitration
- key stages and targets
- monitoring
- payment

# Progress in Developing Adaptation Agreements

**Rochdale SLA** is clear and easy to read. It lists the responsibilities of both the housing association and the local authority and sets out agreed performance targets. We have found this agreement a valuable source of good practice ideas.

## **Resources to support the agreement**

The role of the Northern Counties Housing Association regional co-ordinator who negotiated the Rochdale agreement is crucial to understanding its quality and how it was achieved. This officer is the vulnerability manager within the Care and Support team and dedicates much of her time to negotiating agreements with local authorities on adaptation issues. This officer says a very great deal of time has to be given to attending meetings at every level to prevent the agreement slipping off the agenda or being detrimentally altered. It is clear that other national RSLs are beginning to set up similar posts in order to develop more agreements.

In East London and South East London, local authority Housing Partnership officers have to give work on the agreement high priority to enable it to be sustained.

In Suffolk, the introduction of Supporting People led to the abolition of specialist housing task groups and there was then no-one left with the job of monitoring the agreement. With the loss of this resource and defined responsibility, the agreement gradually lapsed.

## **Use of Home Improvement Agencies**

In the areas looked at in this research, only some areas had an agency service that was part of the agreement. Leeds and Stockport both had in-house agencies. In Stockport this was used by all five RSLs signed up to the agreement. In Leeds the in-house agency has been re-organised and expanded to offer a complete service to all RSLs; the majority are using it, but a proportion prefer to carry out the work themselves

One RSL Adaptations Co-ordinator involves HIAs (whether local authority, housing association or independent) at every opportunity when working on agreements because of their great skills with the client group and because they give value for money. However, they often need help with procurement and working with bodies like RSLs could help them obtain savings.

## **Use of Minor Works Without Delay**

The South East London protocol makes full use of the HC/COT guidance Minor Adaptations without Delay in order to speed the service to tenants, and has set in place training for RSL surveyors by occupational therapists. This will be backed up by an 'after-care service' where the surveyors can contact the named occupational therapists for further support or assessment in cases that turn out to be more complex.

# Progress in Developing Adaptation Agreements

## Good outcomes

One of the big gains reported is the saving of time that used to be spent negotiating each individual adaptation. This should have clear benefits to disabled tenants, though the evidence of this outcome has not been systematically collected.

The growth of understanding means it is possible for partners to act in the best interests of disabled tenants, knowing they (the partners) are not being exploited or missing an opportunity, but are making a fair contribution in an equitable way. The Suffolk agreement led at least one RSL that had previously had no budget for adaptations to make one.

The growing trust that results from the making of a good agreement has also cleared the way to co-operation on other key items such as use of adapted properties or recycling of some items, and the potential for shared procurement. Manchester (MEAP) SLA includes joint working arrangements with RSLs for the purchase and maintenance of equipment which give economies of scale.

There is also the potential for strategic thinking and planning that connect adaptations to new-build (as in Northern Ireland) and to refurbishment and best use of stock. The potential for a group to act together to co-operate with a wider network (e.g. PCT) for input into the next round of Local Area Agreements is also important.

An adaptation agreement gives an opportunity for the circulation of key information relevant to adaptations. This may be especially valuable to small associations with no adaptation specialist. A sub-regional partnership website, such as that operated by SE London, might be a way forward.

In Rochdale the written agreement has cemented a relationship that was already working well. In all areas having a written agreement means that elements of good practice remain in place even when staff change.

The adaptation agreement also gives a framework for action when external changes occur that will affect all partners. It avoids fragmented responses, such as unilateral cutting of budgets.

In Birmingham there have been considerable resource problems in funding adaptations. Although the agreement is much more limited in scope than many of the others it has at least helped RSLs to get the adaptation process moving again.

St Helens shows how adaptation services for an ALMO can be set up to make sure there are sufficient resources and procedures in place so that the ALMO does not become a further drain on the limited DFG budget.

# Chapter 5

## Setting up an Adaptation Agreement



# Setting up an Adaptation Agreement

The interviews carried out for this research have enabled us to add depth and detail to the original understanding of the problems in making effective adaptation agreements. These problems should not be underestimated. But if they are recognised and acknowledged, the way is open to overcoming them. The interviews showed that many professionals are motivated to achieve good outcomes for those who need adaptations and have worked hard to achieve agreements that are fair and effective.

## Which officers should be involved initially?

To set up an adaptation agreement takes time. Most people we spoke to agreed it should be people with a policy/strategic viewpoint who do the initial negotiations, consulting and involving other colleagues as necessary.

“For anyone else (in an RSL) trying to set up a similar agreement it is imperative to get the service manager involved from the strategic housing department. That’s what happened here. I worked with the service manager on a couple of difficult cases. There’s now trust there – we are professionals. I can now deal with all the local authority staff. It’s strengthened the agreement”.

(Team leader in a national RSL)

Where an agreement is between one RSL and one local authority it should be fairly straightforward to determine which people should be involved. Where dialogue is needed with multiple partners, an existing group may be the starting point. This was the case in several of the areas we looked at. If adaptations are raised as an issue at a general housing forum, a sub-group could be formed to take forward the idea of an adaptation agreement.

## How to begin

### Background document making the case for an agreement

Whether the starting point is a single meeting of key parties or a series of one-to one discussions, a short background document outlining why an adaptation agreement is needed will be a useful tool at this stage. It could cover:

- The importance of the issue (demographic trends etc) and the value of strategic approach
- The difficulties experienced locally, with the resource and customer-service implications of system with no agreement
- The advice from Government and regulators to make adaptation agreements
- The potential benefits to all parties, including those who need adaptations

# Setting up an Adaptation Agreement

## **Preparation by all parties**

All parties should be encouraged to prepare something that collates information about their own adaptation policies: what they do; how much they spend; what changes they would like to see, and what they can bring to the partnership. For RSLs it is important to show local authorities what they already do, and how much they already spend on adaptations.

## **Possibly, a draft agreement, as a starting point for discussion.**

Circulating a draft or example (like the one in this report) is another way that has been used to begin the process of reaching an agreement.

## **Developing the adaptations agreement**

Agreements usually involve compromises and in some cases require certain organisations to give up power and control of some parts of the process. High level negotiating skills are often needed. Three separate people in London said that:

“You need the skills of a UN ambassador to get agreement”.

Short cuts are counter-productive. Face to face meetings are vital – adaptation agreements cannot be set up effectively via email or letter.

A series of meetings (either of a group or one-to one) are needed. Policy level staff need to remain involved, but it is important include operational staff and also to make sure any changes are understood by front line staff.

## **What the agreement needs to cover**

The example adaptation agreement in this report gives some ideas. Funding is clearly the key issue, but dealing with on-going communication is also vital. Chapter 4 of this report also contains some suggestions of what has been included in other agreements under the heading ‘what the agreement covers’.

In some cases funding may not be the first issue to be tackled. One group began with the topic of co-operation on recycling of stair lifts, and only later moved on to other aspects of RSL adaptations.

# Setting up an Adaptation Agreement

## Keeping it going

This is a vital part of the process that gets neglected. It is no use just drawing up the agreement. Staff at all levels need to be included in the process – training is vital and on-going meetings need to be held. For this to work policy level staff may need to remain involved for some time.

One regional RSL coordinator said:

“At housing officer level, I wouldn’t assume that anyone is tuned into disability issues. Members of the strategic group need to attend meetings of housing officer level to keep things on track. You can’t just pass the message down – you can’t just leave it to subordinates. People need to understand not just the agreement, but the reasons why they have got that agreement. This agreement was policed like the Gestapo to make sure the right messages got across.”

## Communication

### Regular meetings

Communication is the key to a good adaptation agreement. This was stressed over and over again. It was apparent that where adaptation agreements were failing it was the communication that had broken down. And conversely where things worked well staff were in regular contact, and had scheduled meetings – often every quarter.

“We have one named contact in each RSL. In the SLA there is a standard landlord consent proforma with an email address to return it. Things always seem to get through to the named contacts. There doesn’t seem to be an issue with forms getting lost in the system at either end. But there are also regular meetings where we iron out any problems. Practical issues like this are addressed.”

(Senior manager in a local authority).

### Contact lists

Named contacts, with direct line telephones, in the partner organisations are vital. And these lists need to be updated regularly by an appointed person as staff change. In places where high staff turnover is common, there needs to be a structural way of renewing communication if contact is lost.

# Setting up an Adaptation Agreement

## Regular reports

There also needs to be regular reporting so that all sides can see the benefits accruing from the agreement.

## Monitoring

“The DFG funding level is so bad. If we'd been working in partnership and telling people what we need and what we had in resources, the DFG level would be twice what it is...”

(Vulnerability manager, national RSL)

## Keeping information to record the impact of an agreement

Very few agreements/SLAs examined in this research included a monitoring system. Some specified the time taken between different stages, but there seemed to be few checks that this actually happened and no penalties if it didn't.

For an adaptation agreement to be effective, all the partners need to agree to a set of targets covering the process from first enquiry to completion of work and getting feedback from the tenant. There also need to be targets for invoicing and reports.

It is difficult to get agreement on this as partner organisations are not equally efficient; some will have staffing and budget pressures or other priorities. One protocol we looked at seemed to have been really well thought out. But when we talked to the person who had helped to draw it up, he revealed that the occupational therapists had long waiting lists and were reluctant to be drawn on any targets because of staffing pressures. They did eventually agree and it seemed to work well for a while, but when the person who did the monitoring left there was no one to replace her and the whole agreement eventually fell apart.

So it's not just having the staff and the systems, those staff need to know why it's important, be given time to complete the tasks, and the system needs to be overseen. This adds to the resource costs but the investment is necessary to produce good outcomes.

There are many advantages if monitoring can be made to work. It should improve performance. It will reveal quickly where problems are occurring so that they can be addressed. It will pinpoint areas where extra staff and resources are needed.

# Setting up an Adaptation Agreement

It will help partners see clearly what each other is doing and where the strengths in the team are, and it will help with applications for funding.

MEAP has one of the best monitoring systems we came across. There is a centrally co-ordinated, well resourced adaptations team, and an up-to-date, centralised adaptations and property database for the whole city, with regular reporting to the various partners.

# Chapter 6

# Conclusion



# Conclusion

There is a sense in which adaptation agreements are seen to have emerged to fill the vacuum left by Government. This is in failing for so long to give helpful guidance about its expectations of RSLs and the funding of adaptations. Similarly there is a perceived failure of the regulators to treat the issue fairly in their overall assessments. Those involved in developing adaptation agreements do not necessarily see this vacuum as entirely bad, because it leaves room for local control in shaping policy and for creative collaboration with other spin-offs.

Chief Executives, however, whose focus is on the overall well being of their businesses, would like more honesty from Government and a more equitable approach from the new bodies that are replacing the Housing Corporation.

## A. Policy implications of the research findings

“There needs to be really clear guidance as to what the responsibilities of RSLs should be. Perhaps it could be related to Decent Homes.

(Housing Corporation regional manager)

### **The creation of a body clearly responsible for strategic thinking at a national level**

The review of the DFG in England concluded that the most urgent need for a better policy on adaptations was for the creation of a body clearly responsible for strategic thinking on the issue at a national level, capable of requiring the inclusion of adaptations in strategic planning of housing, health and social care.<sup>30</sup> This need for a permanent body, fit for joined up strategic thinking across departments and having responsibility for adaptation policies at the highest level, remains. It also has to have an implementation loop of links to those who have resources to allocate and to those who have duties to regulate, consult, inspect and report progress.

### **National guidance to housing associations and local authorities**

Proper, clear national guidance to housing associations and local authorities is needed to replace years of fudging the issue. There should be a national standard for contribution to adaptation funding, and it should be enforced.

### **The strategic roles of the Homes and Communities agency (HCA), Tenant Services Authority (TSA) and Tenants Voice**

The strategic roles of HCA, TSA and Tenants Voice in improving housing adaptations policies for RSL tenants need to be spelt out and linked.

<sup>30</sup> The LGA, when consulted for this research, pointed out some strategic implications that go beyond the obvious. ‘Town Houses’ are storing up problems for future. Local authorities are under pressure to meet planning regulation and Government targets on numbers of units at any cost. They are chasing simple unit numbers, yet it will be a worse problem to build the wrong housing if these result in major adaptation costs in future (see evidence re Northern Ireland in chapter 2 on benefits of a different policy).

The LGA was also concerned that if a credit squeeze increases pressure on social housing, councils will have to place more people from waiting lists, including some of the most vulnerable disabled people, in the private rented sector. But PRS landlords are unwilling to adapt because they can’t re-let. There will be growing unmet need.

# Conclusion

## **Focus on tenants**

A starting objective should be the provision to tenants of a smooth, rapid service not held up by disputes over funding.

## **The inclusion of suitable adaptations in the definition of a decent home**

The inclusion of suitable adaptations in the definition of a decent home, where these are needed for access to the facilities of a home, would be a practical strategic step, giving parity to disabled tenants. Talks to consider this proposal are needed.

## **Loss of SHG funding**

The loss of £224 million SHG funding for RSL adaptations over the 9 years 1998-2007 that this research has clarified needs to be faced. The transfer of just £1.5 million to local authorities in 2008-9 because this was the level of funding in the last year of Housing Corporation funding should be urgently re-considered. If RSLs are to use the DFG system, then the DFG budget must be significantly increased. On the basis of previous Housing Corporation budgets, it should be by at least £29 million at 2007 prices. To put this in perspective, £29 million would pay for just 12 shower/stair lift adaptations at £7,000 or 2.7 major (£30 k) adaptations in RSL properties per year in each of England's 355 housing authorities. Some adaptations already cost £100k. £29 million would not be sufficient to pay for one of these per local authority area.

## **Re-appraisal of where funding should come from**

A proper re-appraisal of where funding should come from and what level it should be set at needs to be made in an agreement between the Department of Communities and Local Government (CLG), the Department of Health, TSA, HCA, the Local Government Association (LGA), the National Federation of Housing Associations, individual housing associations (including LSVT associations) and the Office for Disability Issues in the Department of Work and Pensions (DWP).

## **Involving RSLs in proposals for change**

Thereafter, when there are proposals for change nationally, RSLs ought to be involved and be partners in the decisions. At national as well as local level, major changes should be negotiated, not unilaterally imposed as they have often been in the past.

## **View adaptations as investment**

In these discussions, the view of adaptations as investment with positive benefits in improved health and quality of life and savings in health and social care needs to be at the forefront, and tenants need to be involved.

# Conclusion

## **Adaptations add to value of asset base**

Housing associations should also consider the possibility of adaptations adding to the value of their asset base.

## **Local Area Agreements**

One route to interim arrangements might be the Local Area Agreement process, especially as the move is to Comprehensive Area Assessments with Audit Commission looking to assess an area across the board.

## **LGA concordats**

The LGA could be asked to include adaptation in one of their concordats, like the recent one on housing and regeneration. The topic could cover housing sustainability, equality and lifetime liveability and include adaptations.

## **Nationally agreed adaptation agreement**

Alternatively there could be a nationally agreed adaptation agreement on housing for disabled tenants to include RSL adaptations and involving all the major stakeholders including large RSLs as well as Government and the TSA.

## **Role of regulators and inspectors**

Local adaptation agreements should be encouraged and supported by regulators and inspectors.

## **New award**

An award for the most effective partnership/the most improved adaptation service – to raise the profile of this whole area of work and make people realise that partnership working is vital.

## **Norms for a sustainable future policy**

Possible norms for a sustainable future policy might be: RSLs carry out all works under £1,000, unless ICES funded, and contribute 40% to DFGs up to £10,000, with negotiation for costs above £10,000.

## **Levels of need and recording of data**

Both the Housing Corporation successor bodies and individual associations need more data on numbers of older and disabled tenants in general needs housing, on their spending on adaptations and the tracking of adapted properties. They need some benchmarks and some targets against which to track progress as the result of adaptation agreements.

# Conclusion

## B. Good practice in adaptation agreements

“We are taking steps to improve DFG process in this area and work with RSLs until Government does something.”

(Senior Housing Authority Officer)

Reflection on the information gained in this research suggests the following key elements of good practice in adaptation agreements:

### **Clear objectives, offering benefits for all parties**

Although this may seem obvious, it makes sense to discover the concerns of each party at the very start and ensure the inclusion of their objectives for the agreement. There need to be benefits to all participants.

### **Respect and the sharing of knowledge**

A good adaptation agreement will set out to foster respect between partners, by the spreading of understanding and sharing of problems and ideas. Systems of communicating important information on adaptation funding as succinctly as possible to all involved could be one of the responsibilities of an adaptation agreement organiser. If the adaptation agreement includes a system for sharing key information, this may be of special benefit to smaller associations who do not have a specialist lead officer.

### **Performance information and monitoring to demonstrate achievements**

Some RSLs do not have good information on their total adaptations spend or on waiting times for the whole process of adaptation, including the wait for OT assessment or wait for DFG grant approval. The RSL collating this information and identifying sticking points makes a good start to entering an agreement. A system to monitor costs and times thereafter can then usefully demonstrate the effects of having an agreement.

### **Transparency**

An honest discussion of available resources, at least between the local authority and each individual RSL is core to any agreement. It should not be expected that this will necessarily be achievable between associations.

### **Fairness**

This is important, and hard to achieve. Associations do not want to feel exploited by other associations of similar size, tenant profile and resources putting in a smaller contribution, but

# Conclusion

there is no power to act if this occurs. The solutions of a set percentage and a maximum contribution according to locally held stock, applicable to all larger associations, seems to be one acceptable approach. But the achievement of perfect fairness is unlikely and this may have to be admitted.

## **Flexibility**

Beneath the umbrella of fairness, it may still be necessary to be flexible and have different arrangements with different RSLs. Also, circumstances relating to adaptations are in a continual state of change, and agreements will need to change accordingly. A good agreement will include the mechanisms for review and flexibility.

## **Initial communication systems**

RSLs and local authorities need a system in their call centres for dealing with queries from professionals outside the organisation and ensuring they are able to find who to speak to and get a response. Each RSL should be required to have a named contact or named post (champions for equality and diversity) to whom enquirers on adaptations matters could be connected. Audit Commission advice is that this should be suggested to RSLs as an example of good practice.

## **Practical tools**

A good adaptation agreement gives clear simple guidelines and useful forms that can be used by all partners.

## **Regular communication**

The signing of an adaptation agreement is only a starting point, and regular communication thereafter will be needed. For day-to-day matters, because of problems of staff turnover, each organisation needs to set up a fail safe mechanism for who should be contacted if a key person does not respond. Also, the evidence from the research is that communication of really important matters in an adaptation agreement should not be just by e-mail, because of the need for dialogue. There need to be either regular meetings or one-to-one meetings by the co-ordinator.

## **Resources for the agreement**

From the start, there needs to be agreement and planning about the resources in terms of professional time needed to keep an adaptation agreement functioning well.

## **Strategic thinking**

As strategic and multi level approaches to housing issues become more common, and inspection is also likely to take strategic planning into account, adaptation agreements offer an opportunity to RSLs and local authorities to tackle a range of issues relating to strategic use of housing resources in an ageing society.

# Annex I

## Housing Corporation

### Adaptation funding by Region 1998-2008

# Annex I: Housing Corporation Adaptation funding by Region 1998-2008

Year	Region	SHG	Units
1998	London	997,899	500
	South East	760,227	358
	South West	335,170	136
	East Midlands	86,024	35
	Eastern	1,277,115	607
	West Midlands	80,558	88
	Yorkshire & Humberside	123,782	43
	North East	97,601	45
	North West	463,023	333
<b>Total</b>		<b>4,221,399</b>	<b>2,145</b>
1999	London	1,261,792	838
	South East	881,945	491
	South West	204,262	152
	East Midlands	71,752	23
	Eastern	1,629,047	740
	West Midlands	279,529	140
	Yorkshire & Humberside	98,585	27
	North East	78,461	39
	North West	355,558	151
<b>Total</b>		<b>4,860,931</b>	<b>2,601</b>
2000	London	1,076,605	275
	South East	1,054,530	808
	South West	326,263	265
	East Midlands	130,893	53
	Eastern	1,625,773	887
	West Midlands	332,129	192
	Yorkshire & Humberside	93,082	34
	North East	94,666	48
	North West	318,370	394
<b>Total</b>		<b>5,052,311</b>	<b>2,956</b>

# Annex I: Housing Corporation Adaptation funding by Region 1998-2008

Year	Region	SHG	Units
2001	London	1,079,656	431
	South East	824,355	308
	South West	220,301	120
	East Midlands	242,649	233
	Eastern	1,937,912	541
	West Midlands	108,584	71
	Yorkshire & Humberside	99,544	33
	North East	99,875	48
	North West	354,461	120
<b>Total</b>		<b>4,967,337</b>	<b>1,905</b>
2002	London	1,001,794	795
	South East	950,307	306
	South West	228,460	94
	East Midlands	103,265	36
	Eastern	2,156,767	1,023
	West Midlands	166,293	103
	Yorkshire & Humberside	104,981	31
	North East	145,060	62
	North West	404,366	183
<b>Total</b>		<b>5,261,293</b>	<b>2,633</b>
2003	London	1,007,956	269
	South East	612,070	146
	South West	434,059	100
	East Midlands	80,765	177
	Eastern	2,516,622	1,344
	West Midlands	126,467	70
	Yorkshire & Humberside	75,087	17
	North East	44,241	33
	North West	531,382	191
<b>Total</b>		<b>5,428,649</b>	<b>2,347</b>

# Annex I: Housing Corporation Adaptation funding by Region 1998-2008

Year	Region	SHG	Units
2004	London	841,137	199
	South East	178,705	43
	South West	240,226	75
	West Midlands	19,714	6
	North East	37,474	16
	North West	322,579	152
<b>Total</b>		<b>1,639,835</b>	<b>491</b>
2005	London	838,600	209
	South East	271,889	70
	South West	85,000	37
	West Midlands	4,109	2
	North West	242,331	96
<b>Total</b>		<b>1,441,929</b>	<b>414</b>
2006	London	461,302	99
	South East	94,866	31
	South West	161,029	128
	Yorkshire & Humberside	18,200	4
	North West	143,890	56
<b>Total</b>		<b>879,287</b>	<b>318</b>
2007	London	543,381	95
	South East	341,159	28
	South West	147,000	140
	West Midlands	1,500	1
	North West	180,973	65
<b>Total</b>		<b>1,214,013</b>	<b>329</b>

Source Housing Corporation, direct communication 2008

# Annex 2

# Annotated Bibliography

## Annex 2: Annotated Bibliography

### Key publications relating to adaptations in housing association homes

*Note: This list is arranged in chronological order so that readers may see the development of policy and guidance over time.*

#### **Appleton, N. and Leather, P. (1998), *Carrying Out Adaptations: A Good Practice Guide for Registered Social Landlords, Housing Corporation.***

This was produced just as the Housing Corporation drastically reduced its budget and RSLs were facing the new regime of uncertainty about adaptation funding, and in the context of the gradual implementation of the DDA Act 1995. It is rooted in commitment to user consultation as a foundation of practice. At every stage it gives checklists and ideas which are still highly relevant, such as 'key questions for setting a budget' (p14); 'Requirements of a person designated as adaptations coordinator' (p22). This doesn't include working on adaptation agreements, but the report emphasises inter-agency working and the adaptation agreements issue would slip easily into the frameworks suggested. On funding it says '*In choosing a route for funding it should be the best interest of the user rather than the convenience of the organisation which determines the outcomes*'.<sup>31</sup> It is clear that many RSLs have adopted parts of this report for many years, but a look at the whole serves to restore a sense of purpose and core principles.

#### **Shaw, V (1999) *A Perfect Match HoDis (with support from the Housing Corporation).***

Important because it spells out how registers of adapted housing need a matching service (to match vacant adapted properties to tenants who will be well-suited there) if they are to be of any real use. Resources are involved, but the net result will be resources saved. A resume of these points is also given at Annex J of the ODPM (2005) *Reviewing the disabled facilities grant programme.*

#### **Shaw, V (2001) *Needs First: a good practice guide for RSLs to prioritising tenants' needs for adaptations, HoDis (with support from the Housing Corporation).***

'Before April 1998', says this report, '*disabled housing association tenants were in a more advantageous position than disabled people in any other tenure.*'<sup>32</sup> The author spells out with authority the course of events that took away these sufficient resources and led RSLs to wonder how to prioritise between tenants (the core purpose of the publication). It not only explains the social model of disability really clearly, but is steeped in it. It shows RSLs how to avoid the medical and welfare model and have an approach to prioritisation that reflects real human need and difference, more in keeping with housing values.

#### **Housing Corporation (2002) *The big picture: disability and housing.***

This pulls together summaries of 15 relevant research projects, including work on the funding problems around adaptations for RSL tenants. It gives the slightly misleading information that

<sup>31</sup> P12

<sup>32</sup> P3

## Annex 2: Annotated Bibliography

council tenants can apply for DFG. This is true in terms of rights, but does not explain that adaptations for council tenants may not be funded from the DFG budget.

**ODPM (now CLG) (2003) with Department of Health and Housing Corporation. *Preparing older people's housing strategies. Written by P Fletcher and M Risborough.***

This is another very useful document for strategic thinking and planning. Specifically includes relation of adaptations to standards in the NHS National survey framework (NSF) for older people.

**ODPM (now CLG) (2004) *Delivering housing adaptations for disabled people: a good practice guide.* Sections 3.23 – 3.26.**

The guidance here is clear about both the absolute rights in law of disabled housing association tenants to apply for DFG *and* the need for housing associations and local authorities to co-operate to reach agreements on funding.

**Prime Minister's Strategy Unit (2005) *Improving the life chances of disabled people.* DWP, DH DfES.**

Ground breaking strategic document about changing the attitudes to disabled people and viewing provision as investment, not welfare. This report represented a turning point for the move to Individual Budgets.

**ODPM (now CLG) (2005) *Reviewing the disabled facilities grant programme.***

This review carried out by staff of Bristol University and Bristol City Council gives national evidence of the shortfall in resources for DFG in the majority of local authorities and the lack of suitable re-housing options in any tenure. Its core point is the need for more strategic thinking and cooperation at the highest levels to ensure the optimal allocation and use of resources. It recommended that sorting out the financing of major adaptations in RSL properties be one of the first tasks of a national strategic group that should be set up, but so far this (the national strategic group) has not come about.

**College of Occupational Therapists (COT) (2006) *Minor adaptations without delay.***

This practical guide (which includes specifications and drawings) was produced to encourage housing associations to fit a range of minor (under £1000) adaptations without waiting for an occupational therapy assessment. The guidance is supported by the Housing Corporation, CLG and the Department of Health as well as the COT, the official professional body of occupational therapists. It lists the items that are considered 'safe', gives guidance on any training needed for when to refer on and gives case studies and good practice examples of many systems already in place. The research report for this work (published only on the web and no longer available) indicated wide-scale bewilderment amongst housing association

## Annex 2: Annotated Bibliography

officers about the funding systems for adaptations and many examples of very long waits (over two years in the worst cases) for minor adaptations.

### **Housing Corporation (2006, December) *Disability Equality scheme and action plan 2006-2009.***

This states the intentions of the Housing Corporation in achieving inclusion for disabled people. Identifies need for inclusion of disability in regional housing strategies and that it is unlikely to be achieved because it impacts adversely on value for money and because the strategies have no equality indicators. It sets itself a target (Sept 2009) to use its influence to make disability a mainstream issue with regional assemblies and providers. This document makes no mention of the funding of adaptations.

### **Habinteg Disability Equality Centre (2007) *Housing Association guide to disability equality schemes and action plans. (Supported by the Housing Corporation)***

This short guide provides a framework for housing associations to develop their own disability equality strategies. It explains (p9) the duty of the Housing Corporation as a public body to produce a disability equality scheme in compliance with the 2005 amendments to the Disability Discrimination Act, and how the Corporation intends to 'passport the essence of the disability duty to housing associations'. It also contains an admission from the Housing Corporation (p5) that, as housing associations are not themselves public bodies, they do not have a statutory duty to publish 'schemes' but that it is hoped they will do so as a matter of good practice. The guide recognises the need to convince managers of the strategic priority of services to disabled people and sets out an approach for preparing a strategy. The specific issue of negotiating about the funding of adaptations is not covered in this publication.

### **Office for Disability Issues (May 2007) *Better outcomes, lower costs.***

This review by F. Heywood and L. Turner of the evidence for the health benefits of housing adaptations is not specifically related to the funding of adaptations, but is relevant to strategic discussions that might take place as part of an adaptation agreement because of the evidence it gives.

### **Housing Corporation (July 2007) *Investing in Independence: Housing for vulnerable people strategy*, London, Housing Corporation.**

The Corporation's strategy described here on p9 is to 'Seek to simplify arrangements for providing adaptations that can help a tenant remain in their own home'. The actions it proposes on the same page include 'working to implement the outcome of the DFG review'; promoting 'the Corporation's expectations of housing associations under our disability duties' and encouraging 'best practice and co-operation between housing associations, local authorities and other agencies'.

## Annex 2: Annotated Bibliography

### **Housing Corporation (November 2007) Good Practice Note 8, *Equality and Diversity*.**

States (p4) that the Corporation anticipates that associations will have developed disability equality action plans by December 2007. It says (p7) that adaptations should be provided to address the specific needs of different disabled people and (p11) that action plans must include recording aids and adaptations provided and maintaining a register of adapted properties. It recommends the Corporation sponsored Habinteg (2007) Housing Association guide to disability equality schemes and action plans (see above).

### **Care and Repair England (Jan 2008), *A survey of regional housing strategies and regional spatial strategies: are these addressing population ageing?***

Succinct, focussed study, doing as title indicates. The short answer to the question posed in the title is revealed as 'no'. But variations are interesting and the document would show adaptations agreement partners where they might consider trying to make an impact.

### **CLG, DH and DWP (February 2008). *Lifetime Homes, Lifetime Neighbourhood: a national strategy for housing in an ageing society*.**

The creation of this national strategy provides a supportive context for the concept of adaptation agreements between RSLs, local authorities and others. It gives the projection that numbers of disabled older people will double to 4.6 million between 2002 and 2041. It announces plans for increased investment in home improvement agencies and handyperson services. The section on adaptations is not holistic, as the emphasis is on the changes it was introducing, but the concept of thinking strategically is still there. On housing association adaptations, the wording used is worth noting. It is: '*We will also work on addressing the problem which is caused when Registered Social Landlords (RSLs) fail to live up to the expectations placed on them as social landlords, that where appropriate, they should fund adaptations.*'<sup>33</sup> After a reference to the proposed joint guidance, the document refers again to strategic issues: '*In addition we will work with Government Offices (GOs) to issue guidance at a local, regional and sub-regional level, on agreements with RSLs on finance and more strategic planning for accessible homes.*'<sup>34</sup>

### **Housing Corporation (April 2008) *Investing for Lifetimes: Strategy for housing in an ageing society* (action plan is limited by what can be delivered within lifetime of the Corporation).**

This tunes with the Government 'Lifetime Homes, Lifetime Neighbourhoods' report in wanting associations to think strategically for older people's needs, with LTH and 3-room standards in new build, and preventative measures. It repeats the action points of the housing for vulnerable people strategy but adds the intention to 'publish guidance regarding our expectations of associations with regard to aids and adaptations'.<sup>35</sup>

### **Housing Quality Network (April 2008) *Aids and adaptations toolkit*.**

<sup>33</sup> P84

<sup>34</sup> P84

<sup>35</sup> P12

## Annex 2: Annotated Bibliography

This useful toolkit has been prepared by J. Jeffery and R. Seager, two HQN associates, to give social housing providers a checklist to enable them to judge their own performance on adaptations. It incorporates points from Audit Commission inspections and ideas on good practice from a variety of sources. One weakness is not discriminating between an in-house OT service for an organisation spending its own resources (invaluable) and one trying for speedy access to DFG funding (not likely to help). There are a few other glitches and it doesn't mention adaptation agreements! But it is still very useful and perhaps a revised version is planned?

### **Joseph Rowntree Foundation (June 2008) *Housing and disabled children: reviewing the evidence.***

Shows that (47%) of disabled people aged 0-15 are living in unsuitable accommodation, the worst proportion for any age group. Also shows that a higher than average proportion of these disabled children will be in social housing. As the most pressing need for all these families is more space, the design of new-built properties will have implications for the costs of future adaptations for children and this is something RSLs could again take into account in their strategic thinking.

# Annex 3

# Glossary

## Annex 3: Glossary

<b>Agency</b>	See HIA
<b>ALMO</b>	Arms Length Management Organisation. A company set up by a local authority to manage and improve all or part of its housing stock.
<b>Audit Commission</b>	Quasi independent agency protecting spending of public money. Charged with inspection of housing associations.
<b>Bristol report</b>	The review for Government of the disabled facilities grant produced by Bristol University and Bristol City Council in 2005
<b>CAVE review</b>	Independent review of social housing regulation by Martin Cave published 2007 as 'Every Tenant Matters'. Stresses more power and control to tenants.
<b>CEO</b>	Chief executive officer
<b>COT</b>	College of Occupational Therapists. The professional body of occupational therapy
<b>CLG</b>	see <b>DCLG</b>
<b>CSDP Act</b>	<b>Chronically Sick and Disabled Person's Act</b> 1970: enshrines the right of disabled people to have adaptations and to be informed of services available to them.
<b>DAP</b>	<b>Disability Action Plan.</b>
<b>DCLG</b>	<b>Department of Communities and Local Government:</b> responsible for the DFG and for liaison with the Housing Corporation. Formerly the ODPM, DETR, DoE
<b>DDA</b>	<b>Disability Discrimination Act</b> 1995
<b>Decent Homes</b>	Target and programme set by Government to bring all social rented sector homes up to modern standards in regard to safety, heating systems, kitchens and bathrooms. Does not at present include accessibility as part of the standard. Social landlords carry out large scale renovation programmes to achieve the Decent Homes standard, and may or may not take the opportunity to carry out adaptations at the same time.
<b>DES</b>	In this context, a <b>Disability Equality Scheme.</b> Public bodies of which the Housing Corporation is one are required to have a pro-active DES for achieving equality for disabled people. RSLs are encouraged to have one.
<b>Developing RSL</b>	An RSL that is seeking to grow by building or acquiring more properties, rather than just managing existing stock.
<b>DFG</b>	<b>Disabled Facilities Grant:</b> mandatory grant (max £30,000) given through local housing authorities to enable disabled people to enjoy equality of access to their home and garden and its facilities with other people. Means tested but not for children under 18. Must be necessary and appropriate, reasonable and practicable.

## Annex 3: Glossary

<b>DWP</b>	<b>Department of Work and Pensions:</b> the department of the Minister for disabled people and the ODI
<b>FACS</b>	<b>Fair Access to Care Services:</b> a medical model system used by adult services (social services) to determine at what level of need (critical, substantial, moderate and low) they will supply services. Is not applicable to the DFG and must not be used to prevent an assessment.
<b>HCA</b> (for HC see Housing Corporation)	<b>Homes and Communities Agency:</b> due to come into operation at the end of 2008, this organisation will be a merger of the development agency English Partnerships and the investment parts of the Housing Corporation. Will oversee the supply of new housing and be responsible for funding RSLs.
<b>HIA</b>	<b>Home Improvement Agency:</b> organises work of repairs or adaptation, helping with grant application, work specification and overseeing of the work. May be voluntary and independent or local authority-in house. May take fee from DFG.
<b>Housing Corporation (HC)</b>	Quasi independent national body responsible for investment and regulation of RSLs. It will cease to exist in 2008/9, its functions being divided between HCA and the TSA.
<b>Housing partnership</b>	A partnership of local housing authorities and RSLs to co-operate on any housing topic that crosses boundaries. Have instigated some adaptation agreements.
<b>HRA</b>	<b>Housing Revenue Account:</b> source of funding from rents etc used to pay for council tenant repairs and adaptations, even if DFG.
<b>ICES</b>	<b>Integrated Community Equipment Stores:</b> joint Health/social care equipment service delivering equipment and minor adaptations up to £1,000, free of charge but in accordance with local FACS criteria.
<b>LGA</b>	<b>Local Government Association</b>
<b>LSVT</b>	<b>Large Scale Voluntary Transfer:</b> system of transferring ownership of council housing to a housing association after tenants have voted in favour.
<b>LTH</b>	<b>Lifetime Homes:</b> housing designed to be readily adaptable – criteria first specified by the Joseph Rowntree Foundation.
<b>MEAP</b>	<b>Manchester Equipment and Adaptation Partnership</b>
<b>Minor Adaptation</b>	Generally accepted as adaptations such as hand rails that cost less than £1,000 and are relatively simple to install.
<b>NHF</b>	<b>National Housing Federation:</b> membership organisation representing 1300 independent, not-for-profit housing associations in England.
<b>National Tenants Voice</b>	A body that will come into being, probably in 2009, as result of CAVE review, to represent tenants' views.

## Annex 3: Glossary

NIHE	<b>Northern Ireland Housing Executive:</b> Is the public sector landlord in Northern Ireland instead of local councils, and also runs adaptations services in the private sector.
ODPM	<b>Office of the Deputy Prime Minister</b> (now CLG)
OT	<b>Occupational Therapist:</b> the professional whose skills are required to assess, in consultation with the client, the adaptations best suited to meet a disabled person's need. The OT professional body has made a list of minor adaptations where this assessment is not necessary (see Annex 2, COT 2005, <i>Minor adaptations without delay</i> ).
PAG	<b>Physical Adaptation Grant:</b> a special grant for adaptations for RSLs in Wales, payable by National Assembly for Wales. See section on comparisons with Wales and Northern Ireland for more details.
PCT	<b>Primary Care Trust.</b>
Protocol	In this context, a voluntary agreement between a local authority and one or more RSLs, or between an RSL and one or more local authorities, about principles and agreed rules for the funding and maintenance of RSL adaptations.
PRS	<b>Private rented sector</b> (private landlords).
RSL	<b>Registered Social Landlord</b> (most commonly, a housing association).
SHG	<b>Social Housing Grant:</b> public money allocated by the corporation to RSLs to help them build new homes. The grant is topped up with private money borrowed by RSLs.
SLA	<b>Service Level Agreement.</b> Agreement typically between a local authority and an independent service provider about standards and expectations on both sides. In this context may be an alternative to an adaptations agreement.
TSA	<b>Tenants Services Authority.</b> Body that is taking over the Housing Corporation's regulatory functions for RSLs.



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