

**ASSESSMENT OF THE POWER TO PLACE A CHARGE ON PROPERTIES  
ADAPTED UNDER A DISABLED FACILITIES GRANT**

Under the Disabled Facilities Grant (Conditions Relating to Approval or Payment of Grant) General Consent 2008, the local authority is allowed to impose conditions to demand repayment of a Disabled Facilities Grant if the adapted property is sold within ten years of the certified date of completion of the works. This charge may be applied to any part of a grant that exceeds £5,000 and the maximum charge permitted is £10,000. This provision only applies to grants for owner-occupiers.

The majority of disabled adaptations have the effect of reducing the value of the property since the new owners will normally need to carry out works to revert the property to its original state. Examples of this are stair-lifts, through floor lifts and bathroom adaptations (whereby baths are replaced with level access showers, with non-slip flooring and grab-rails). There is a concern among Housing Officers in Surrey that the application of the repayment condition to all grants above £5,000 might mean that applicants in need of these types of adaptations would be deterred from applying for the grant. There is also a potential anomaly as a result of the limit of the maximum charge to £10,000. This means that a grant of £15,000 would be subject to the same repayment charge as a maximum grant of £30,000.

Analysis of DFGs completed in Waverley during 2008/09

<b>Size of Grant</b>	<b>Number</b>
Less than £5,000	21
£5,000 to £10,000	9
£10,001 to £15,000	3
£15,001 to £20,000	3
Exceeding £20,000	5
<b>Total</b>	<b>41</b>

A Working Group of Surrey Housing Officers considered the provisions of the General Consent 2008 to determine whether any amendments could be made to make the system fairer and less punitive to people whose adaptations are likely to devalue their property.

One suggestion was to raise the threshold for applying the repayment condition to £10,000. This would have the effect of removing the simple adaptations from the repayment condition and would reduce the repayment on mid-range grants (£10,000 - £20,000) to less than £10,000.

However changing the threshold to £10,000 alone would still penalise grant recipients in cases where the works consist of a combination of separate adaptations which together exceed £10,000 and devalue the property. Of the five grants in excess of £20,000, three were awarded for extensions. The other two were for a combination of works comprising a bathroom adaptation (in all cases), together with a combination of stair-lifts, ramp installations and widening doors and levelling drives for wheelchair access. This was also the case for the mid-range grants. None of these grants improved the value of

the property and all would require considerable outlay to remove the adaptations.

In such cases the temptation for applicants might be to make successive applications, each for less than £10,000, which would lead to an increase in officer time in grant administration. This concern applies equally to a repayment threshold of £5,000 where a stair-lift costing £2,000 and a bathroom adaptation costing £6,000 could be split into two grants; only £1,000 would be repayable instead of £3,000. There appears to be no provision in the General Consent for aggregating successive grants.

Therefore the Working Group has suggested that the recharging policy should specify that the charge would only be applied if facilities are added to the property. This will include the provision of bedrooms, bathrooms and toilets, whether by extension or by conversion of existing rooms such as garages, outhouses and store rooms. These are considered more likely to enhance property value than other adaptations. The provision of stairlifts, steplifts and vertical lifts should be excluded from the repayment charge.

Finally, it seems inequitable that a grant recipient making a disposal after nine years in residence, making full benefit from the adaptations provided, should be subject to the same repayment charge as a grant recipient making a disposal after nine months. The Working Group feel that a fairer system would be to apply a taper to reduce the amount required as time progresses. It is recommended that full repayment is required for the first six years after the certified date and then the amount be reduced by 20% each successive year, reducing to nil at the end of ten years:

<b>Time</b>	<b>% repayable</b>
Years 0 – 6:	100%
Years 6 – 7:	80%
Years 7 – 8:	60%
Years 8 – 9:	40%
Years 9 – 10:	20%

### **Summary**

The Council should introduce a recharging policy for Disabled Facilities Grants in line with the General Consent with the following amendments:

1. The charge is only applied to grants under which sleeping accommodation and/or washing/toilet facilities are added to the property, whether by extension or internal conversion;
2. A time taper is applied whereby full repayment is required for the first six years after the certified date of completion and then the amount is reduced by 20% in each successive year;
3. The Head of Environmental Health is given delegated authority to exercise discretion to waive or reduce the repayment charge having regard to individual circumstances and the criteria set out in the General Consent 2008.
4. The property charge system will allow for the recycling of funds recovered into the Disabled Facilities Grants Programme