

Implementing the Housing (Scotland) Act 2006: Consultation on Draft Statutory Guidance and Regulations for local authorities

Response from Ownership Options

General comments

- 1 Ownership Options is a Scottish charity and independent company working to enable disabled people and their families to have equality of housing opportunity, by improving their access to the owner occupied sector.
- 2 Our mission is to assist disabled people and their families to overcome barriers in accessing and sustaining home ownership.
- 3 We have 10 years' experience of working in partnership with disabled people, families, local authorities, housing and support service providers, Government and many other organisations to identify and overcome the financial, legal, property and logistical barriers to this equality. A core part of this work has involved advice and assistance with regard to access to and use of adaptations funding and the practical issues to consider; assessing whether such funding would be better invested in acquiring a more suitable home or one which can more easily be adapted; and working alongside interested parties, including local authority housing and social work departments, to find the pathway to achieving the best and most cost effective outcome for individuals.
- 4 We can point to several examples of innovative and creative approaches involving local authority grant funding – however our experience is that these have been achieved in spite of the current adaptations grant system rather than enabled by it. The proposals put forward in the consultation document introduce a fundamental change to adaptations grant funding which we welcome wholeheartedly: the proposed mandatory grants represent a shift in thinking which is consistent with, and required for, the Scottish Government's wider policy objectives for disabled people - supporting independent living, and enabling people to have choice and control in determining the supports, aids and adaptations needed to live a full and contributing life.
- 5 The guidance could and should go further in securing benefits for disabled children and the carers through mandatory entitlements in relation to additional space and maximum grant entitlement.
6. We welcome the opportunity to respond to the consultation, and focus our comments only on Volume 5, the Scheme of Assistance, as this is the volume that most significantly affects our work and those for whom we work. The rest of response is structured in relation to each chapter of the guidance, and made with reference to the needs of home owners with a disabled person in the household.

Specific comments

Chapter 2: Provision of information, advice and guidance

1 Public information website

A national public information website could be useful for disabled people, for information and advice providers and for professional advisors such as social workers. As well as linking to local authority sites it should link to the websites of relevant advice providers such as Ownership Options.

2 Overall approach

We support the proposed approach in general.

- We welcome the guidance that information and advice is not enough, and that practical assistance may also be required.
- The Homepoint information guide 'Access to Housing in Scotland: Rights for Disabled People' written by Accessible Housing Solutions, contains information about adaptations that should be updated to reflect the new guidance and made widely available.
- We agree that advice should generally be as impartial as possible, with the deliverer of advice having no conflict of interest (2.39). Where a One Stop Shop is serviced directly by the local authority, there may be an inherent conflict of interest if this is led by the department which is also the gatekeeper for resources. Stronger guidance may be required in terms of the training, support, independence and quality assurance of such advice providers.
- Local authorities, like health authorities, can find it difficult to reach particular groups of people. We think the guidance on this needs to be stronger than 'consider' using specialist advice bodies (2.29). Local authorities *should use and support* specialist and community groups to target particular groups: in relation to disabled people, groups such as Contact a Family, local Enable Groups, local Carers' organisations and local Disabled Persons Housing Services should be indicated as important resources in raising awareness, and providing information, about the new guidance and regulations in relation to adaptations for disabled people. They are well placed to assist the local authority in reaching people who may not otherwise be in contact with the local authority, or not in contact with local authority personnel who are knowledgeable about this area. It would also be useful to indicate Ownership Options as a specialist national resource for offering second tier information and advice to these groups.

Chapter 3: Financial Assistance

3 Are there other categories of borrowers who require consideration in developing lending options?

It is worth adding to the category of borrowers 'under 60 with equity and affordability, with DWP benefits as primary income source', as these borrowers are often not considered for prime or non-conforming lending.

4 Possible loan products

4.1 What changes to features/suitability of products/other products should be considered?

Interest only mortgages are suggested as a possible loan product for owners eligible for assistance from the DWP. This can include those on Income Support or other eligible benefits who need to take out a loan to adapt their home for a disabled person. This assistance does not assist with repayment of capital, meaning that a lifetime mortgage is the most appropriate product in most, although not all, cases. We would suggest that the number of nuances in the DWP scheme mean it is not appropriate to include such owners in this list under a general interest only loan scheme.

We would suggest that this category of borrower would benefit from a specific product which links the interest rate to that being paid by the DWP and to eligibility criteria that ensure the borrower is not exposed to affordability risks in future. In many cases, despite eligibility for DWP assistance, the Home Appreciation Loan or interest free loan products will be more relevant and appropriate.

4.2 Should a minimum amount of owner's wealth be disregarded when assessing affordability?

In relation to applications concerning disabled people, yes. It is not helpful to devise a system that sets out to remove all financial safety nets from the applicant. We suggest that guidance recommends aligning the conditions for equity based and other loans with conditions for the New Supply and Open Market Shared equity schemes offered through RSLs and/or disregards that are commonly applied in the benefit system.

Further guidance is needed for local authorities for deciding what is reasonable and affordable (3.40, 3.60) in the circumstances of the applicant; and on criteria for deciding the wealth to be disregarded. In particular disabled people, and the families of disabled people and children, have higher living costs and lower residual incomes than households without a disabled household member (Beresford & Oldman, 2000); circumstances which are not always well reflected in local authority affordability testing approaches.

5 Developing new loan products

5.1 Do you support the creation of a National Lending Unit

We believe a National Lending Unit is probably required in Scotland particularly in this financial climate and so would support this. The option that this be developed by the Scottish Government seems most likely to bring the volume of business and scope for this to expand in the future to a level which might then be of interest to a commercial lender.

5.2 Do you support the creation of a publicly funded Financial Advisory Service?

We believe a publicly funded financial advisory service could be useful. Our experience is that disabled people whose income is wholly or partly dependent on benefits find it very difficult to access independent financial advice from advisors with adequate knowledge and understanding of their financial circumstances and options.

We have no views on how the service should be delivered. However it must be a condition of the service that its advisors have sufficient understanding of the benefits system to broker suitable loans.

6 Assessing financial assistance

6.1 Do you support the intention to regulate for adaptations to attract mandatory grant? Is our proposed definition of adaptation appropriate?

We support the intention to regulate for adaptations to attract mandatory grant and welcome the emphasis on developing a corporate approach. However we are uncomfortable with the concept of 'fault' referred to in section 3.217 – it introduces divisive notions of 'deserving' and 'undeserving' which are not helpful or appropriate.

The Act itself sets out the rationale for different treatment: where repair or improvement is needed to the property, it requires a financial investment to secure the property asset; where adaptation is required for a disabled person, it requires financial investment to secure and enable independent living, quality of life, dignity, privacy and access to family life of a person. This is why in principle adaptations works differ from works to repair a house. It is not about 'fault'.

Mandatory grant for works to meet the needs of disabled people also reflects the fact that this investment in adaptations brings wider social, health and economic benefits.

6.2 Do you agree with restricting mandatory grant where additional living accommodation is being provided?

We appreciate that local authorities have limited resources and that extensions are expensive. However we consider that there are circumstances where there should *either* be mandatory grant for additional living space *or* mandatory entitlement to an interest free loan where it is clear that the additional space will add value to the property. These are: where assessed needs state that this is required to enable the disabled person to receive care and support from either informal or paid carers; or where the additional living space is essential for the development and care of a disabled child. Research¹ shows that the principal problem for families of a disabled child is the need for additional space. Families of a disabled child are twice as likely to be living in overcrowded conditions as families without a disabled child. The same is true for children and adults with autism. The lack of adequate space affects the health and wellbeing of the whole family, the ability of the family to care, the educational development of the disabled child and their siblings with consequent impact on health and social care costs as the child grows into adulthood. If needs are considered corporately, or holistically, it is a false economy to exclude additional living space from mandatory provision.

6.3 National tendering exercise for permanent adaptations

While grant is offered by the local authority, the adaptations works should not be considered as being carried out *for* the local authority, they are for the disabled person. Even if the local authority has offered to facilitate the process, which could be by directly arranging the works at the most economic cost, control needs to rest with the disabled person and those who live with them. The outcome of national or local tendering exercises may be useful in sourcing specialist contractors but it is important that the individual's choice and control is not restricted as a result.

7 Other comments

7.1 **'Passport' benefits for 100% mandatory grant:** We would suggest adding council tax benefit to the list of benefits which would passport an applicant to 100% grant, removing the need for additional financial assessment in relation to the 20% in cases where effectively the Council has already assessed that their means are limited. (3.236)

7.2 **Minimum percentage grant and disabled children:** We would argue that applications in respect of disabled children should receive mandatory 100% grant. Disabled Facilities Grants for disabled children in England and Wales are not means tested and the same priority for disabled children and their families should surely be recognised in Scotland. Caring for a disabled child places huge physical and emotional stress on families and incidence of family breakdown is high. It is particularly important that these grant applications can be fast

¹ Beresford & Rhodes (2008): Housing and disabled children. Joseph Rowntree Foundation

tracked and the process of securing finance for between 1 –20% of the finance inevitably introduces delays. Parents of disabled children find it harder to sustain employment due to caring responsibilities and restriction of grant to 80% may create a disincentive to work. The additional cost of providing 100% rather than 80 - 100% grant for disabled children will be more than offset by the improved health and wellbeing of the disabled child and parents and in the prevention of physical and mental healthcare treatment and hospital admissions due to caring for a child in unsuitable accommodation.

- 7.3 **Assistance with rehousing:** The guidance indicates (3.263) that local authorities may help owners with the costs of actual or proposed acquisition of more suitable property. It should be further clarified that this can include property more suitable for adaptation than the person's current home. Stronger direction and guidance is needed in this area on the circumstances and terms on which a local authority can *and should* offer this discretionary assistance. For example, this could include guidance on the portability of an assumed mandatory grant for a current home which cannot be economically adapted, to assist in the acquisition of a more suitable home, and this should be incorporated into the local authority's section 72 statement of assistance. Ownership Options has worked with a number of local authorities in the past to define how such schemes can work, on a pilot basis. Without specific guidance, this remains a postcode lottery for disabled people with some authorities simply refusing to countenance using this power.

Chapter 4: Criteria for Assistance

- 8 The model framework is helpful.

Annexe 2

9. As indicated in the guidance, Ownership Options is well placed to offer specialist advice and assistance on issues involving adaptations for disabled people in the owner occupied sector; and can support local authorities to work with local disabled people and groups in development of their statements of assistance.

The description of our services included in the guidance is slightly out of date as we have recently revised our priorities. We would propose replacement wording as follows:

Ownership Options

A Scottish charity and independent company working to enable disabled people and their families to have equality of housing opportunity, by improving their access to the owner occupied sector. Activities include:

- providing specialist expertise on home ownership issues affecting disabled people: directly and in a second tier role to local advice providers;
- brokering housing solutions where specialist expertise is sought or required and demonstrating cost effective approaches;

- building capacity and skills through information, training and consultancy
- encouraging and facilitating action to make best use of the owner occupied sector to achieve person-centred housing solutions that enable people to live as independently as possible and to participate in and contribute to inclusive, diverse and healthy communities; and
- influencing the improvement of policy and practice in public, private and third sector agencies involved in the development, procurement or adaptation of owner occupied property.

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