

**Committee Report Checklist**

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

**Stage 1**

**Report checklist – responsibility of report owner**

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing		
Relevant Group Head review	Yes	08/05
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )		
This item is on the Forward Plan for the relevant committee	Yes	
	Reviewed by	
Finance comments (circulate to Finance)	A.Bozhan i	11/05
Risk comments (circulate to Lee O'Neil)		
Legal comments (circulate to Legal team)	JC	14/05/26
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

**Stage 2**

**Report checklist – responsibility of report owner**

ITEM	Completed by	Date rec'd
Monitoring Officer commentary – at least <b>5 working days before MAT</b>	L Heron	15/05/26
S151 Officer commentary – at least <b>5 working days before MAT</b>	T.Collier	11/5/26
Commissioner engagement	DM	
		No issues
Confirm final report cleared by MAT		

# Community Wellbeing & Housing

Date of meeting 2<sup>nd</sup> June 2026

<b>Title</b>	Review of Disabled Facilities Grant (DFG) Policy – Re-Introduction of Means Testing for Level Access Showers
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	<i>Stephen Mortimer-Cleevly</i>
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	Community Addressing Housing Need Services
<b>Recommendations</b>	<p><b>Committee is asked to:</b></p> <ol style="list-style-type: none"> <li>1) Approve the amendment of the Council’s Disabled Facilities Grant (DFG) Policy to remove discretionary means test exemptions for level access showers.</li> <li>2) Approve the introduction of means testing for this adaptation type in line with statutory DFG requirements under the Housing Grants, Construction and Regeneration Act 1996.</li> <li>3) Approve the reduction of the aids and adaptations disregard from £2000 to £1000.</li> <li>4) Delegate authority to the Group Head of Community Wellbeing, in consultation with the Chair, to implement minor operational changes required to enact the revised policy.</li> <li>5) Note the intention to align Spelthorne’s DFG policy with other Surrey authorities in advance of Local Government Reorganisation (LGR).</li> </ol>
<b>Reason for Recommendation</b>	The Council is experiencing increased demand and financial pressure on the DFG budget. Aligning with national expectations and Surrey-wide policy approaches will ensure equitable, sustainable, and legally robust allocation of resources.

1. **Executive summary of the report** (*expand detail in Key Issues section below*)

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>Demand for home adaptations in Spelthorne has increased significantly, particularly for level access showers. Historically, the Council has exercised discretion to waive means testing for these adaptations, creating additional financial pressure on the DFG allocation.</li> </ul>	<ul style="list-style-type: none"> <li>Current discretionary exemptions are no longer financially sustainable. The national DFG framework, funded through the Better Care Fund (BCF), is under increasing scrutiny to demonstrate value for money, targeting of resources, and integration with health and social care outcomes.</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Re-Introduce means testing for these adaptation types, bringing Spelthorne in line with statutory expectations and neighbouring authorities</li> </ul>	<ul style="list-style-type: none"> <li>Subject to approval, update policy documentation, communicate changes to residents and partners, and implement from the start of the next financial quarter.</li> </ul>

## 2. Key issues

### 2.1 National Policy Context (DFG and BCF)

The Disabled Facilities Grant is a mandatory grant governed by the Housing Grants, Construction and Regeneration Act 1996. While local authorities have discretion in policy delivery, national guidance increasingly emphasises:

- Targeting limited resources at those in greatest financial need
- Demonstrating impact on hospital discharge, prevention, and independence
- Integration with health partners via the Better Care Fund

DFG funding is now fully embedded within the Better Care Fund, meaning local authorities are expected to evidence:

- Reduction in hospital admissions and delayed discharges
- Prevention of residential care placements
- Efficient use of public funds

Maintaining blanket exemptions for high-cost adaptations is inconsistent with this direction of travel.

In the last financial year 25/26, the team delivered 141 DFG's and 527 Aids and Adaptations.

### 2.2 Financial Pressures and Demand Growth

Locally, Spelthorne is seeing:

- Rising demand linked to an ageing population

- Increased complexity of cases (e.g. hospital discharge, multiple conditions)
- Higher unit costs for adaptations (inflation, contractor availability)

Stairlifts and level access showers represent a significant proportion of DFG spend. Removing means testing in 2022 has:

- Increased overall grant expenditure
- Reduced available funding for higher-need households
- Created potential inequity in allocation

### 2.3 Equity & Fairness

The current approach creates inconsistency whereby:

- Some applicants contribute financially (via means test)
- Others receive fully funded adaptations regardless of financial capacity

Reintroducing means testing ensures:

- Fairness across applicants
- Better targeting of public funds
- Compliance with the principle of ability to pay

### 2.4 The Means Testing Process

Spelthorne Borough Council uses the nationally recognised FERRET software system to undertake Disabled Facilities Grant (DFG) means testing assessments. FERRET is widely used by local authorities across England and applies the statutory test of resources prescribed under the Housing Grants, Construction and Regeneration Act 1996.

The assessment takes into account:

- household income
- savings and capital
- certain welfare benefits
- partner or spouse income
- allowable household expenditure and applicable premiums

The system calculates whether an applicant is required to make a financial contribution towards the cost of the adaptation works and, where applicable, determines the level of contribution.

## 2.5 Local Government Reorganisation

Across West Surrey, all authorities already apply means testing to these adaptation types.

In advance of Local Government Reorganisation, there is a clear strategic need to:

- Harmonise policies across districts and boroughs
- Reduce variation in service delivery
- Enable smoother transition to unitary structures

Failure to align now risks:

- Policy inconsistency
- Increased complexity during transition
- Financial disparities across the future authority

## 3. Options appraisal and proposal

### 3.1 Option 1 – Re-Introduce means testing (Preferred Option)

Ensures financial sustainability of the DFG budget and aligns with national policy expectations and BCF requirements.

Promotes fairness and equitable allocation.

Aligns with Surrey authorities ahead of LGR.

Protects funding for highest-need residents.

There is a potential that this will increase the administrative burden and it will ultimately mean that some residents will now have to contribute financially, there is a risk that some residents may not adapt their property.

### 3.2 Option 2 – Retain current exemptions

Simpler to administer and maximises accessibility for residents.

This approach is financially unsustainable and leads to an inequitable allocation of resources. Leaving us misaligned with Surrey partners and increases the risk of budget overspend.

Misalignment with Surrey authorities ahead of LGR.

## 4. Risk implications

4.1 **Financial risks:** high potential for an overspend on DFG budget if policy remains unchanged an introduction of means testing enables improved monitoring of spend.

4.2 **Operational risks:** there will be an inherent increased processing time as each applicant will have to be fully financially assessed

4.3 **Reputational risk:** there will likely be a perception of reduced support, but mitigations will include clear communication and signposting to additional support mechanisms.

- 4.4 **Legal risk:** we are open to potential challenge if the policy is inconsistent, the closer alignment to statutory framework and local practice should help mitigate the risks

## 5. Financial implications

Estimated level access showers (LAS) applications FY 25/ 26 that would have failed proposed means test	12
Average cost per LAS	£7918
Positive Impact on DFG	£95,015

In FY 25/26 Twenty-seven properties benefitted from aids and adaptations costing between £1000 and £2000, by reducing the DFG disregard to £1000 we could reduce DFG spend by an additional £13,000.

In total both changes will yield potential efficiencies of approximately £108,000.

It is important to emphasise there is a potential risk that proposed changes will increase the administrative burden and it will ultimately mean that some residents will now have to contribute financially, some residents may not adapt their property.

## 6. Legal comments

- 6.1 The DFG is a statutory grant provided under the Housing Grants, Construction and Regeneration Act 1996 (HGCRA). The Council is under a statutory obligation to administer DFGs to qualifying applicants.
- 6.2 Central Government makes capital funding available for DFG's as part of the Department of Health's Better Care Fund.
- 6.3 Means testing is a statutory requirement for DFG adaptations to ensure that funding is directed to those most in need. The means test assesses the income and savings of the applicant and their spouse or partner.
- 6.4 The removal of discretionary exemptions from DFG allocations is lawful under HGCRA as discretionary grants are not a statutory requirement.

## Corporate implications

### 7. Commissioners' comments

- 7.1 No issues.

### 8. S151 Officer comments

- 8.1 The S151 Officer to confirm that all financial implications have been taken into account and that the recommendations would ease pressures on the DFG

Capital Programme budget enabling more funds to be available for highest needs residents.

## **9. Monitoring Officer comments**

- 9.1 In adopting the revised policy, the Council must have regard to the Public Sector Equality Duty. The policy must be applied consistently, fairly and in accordance with its published terms. Subject to the above the Monitoring Officer confirms that the relevant legal implications have been taken into account.

## **10. Procurement comments**

- 10.1 The Council's Contract Standing Orders must be complied with where the adaptations are procured directly by the Council. Early engagement with the Procurement Team is strongly recommended.

## **11. Equality and Diversity**

The proposal may disproportionately affect residents with moderate financial means.

Mitigation:

- Means test ensures protection for low-income households
- Discretionary support and signposting to alternative funding
- Continued prioritisation based on clinical need

## **12. Sustainability/Climate Change Implications**

Minor positive impact through enabling residents to remain in their homes, reducing need for higher-carbon institutional care.

## **13. Other considerations**

- Alignment with Adult Social Care priorities
- Integration with hospital discharge pathways
- Communication with occupational therapy services

## **14. Timetable for implementation**

<b>14.1 Milestone</b>	<b>Date</b>
Committee approval	June 2026
Policy update	July 2026
Stakeholder communication	August–September 2026
Implementation	October 2026

## **15. Contact**

- 15.1 *Stephen Mortimer-Cleevely*

**Background papers:, There are none.**

**Appendices:**

**Appendix 1 – Draft Revised DFG Policy**

**Appendix 2 – DFG Handbook for Surrey - Benchmarking of Surrey Authorities**

**Appendix 3 – Report Impact Statement**