

PLANNING AHEAD: LIVING AT HOME

A SHORT PAPER FROM THE ADAPTATIONS WORKING GROUP

Introduction

1. The Scottish Government's Adaptations Working Group¹ was established in 2011 to consider future systems for the delivery of housing adaptations for older people and disabled people in Scotland. The Group's remit fell into two parts. Firstly, it considered options for the future organisation and funding of housing adaptations across all housing tenures and, secondly, it looked at options for helping people, *who own their homes*, to plan ahead and use their own personal resources to ensure their homes are suitable on a long term basis.²
2. This short paper covers the second part of the Adaptations Working Group's remit. The Group's report on the first part of its remit highlights the need to plan ahead for older age and consider whether changes need to be made to the home to help maintain their ability to live there for as long as possible.³ It notes that people, who have sufficient resources, may wish to make their own adaptations and improvements to meet needs arising from reduced mobility, but that they may require advice on how to do this. This paper looks at the case for enabling self-help and planning ahead in relation to home adaptations and improvements, and the benefits and issues around doing this. It then examines a range of potential products and schemes which enable people to access mostly relatively small sums of money to invest in their housing for the purpose of making adaptations or improvements to the home.

Why enable people to use their own resources to adapt their homes?

3. The Scottish Government has a longstanding policy of shifting the balance of care, enabling older people and disabled people to live independently at home in the community for as long as possible, instead of in hospitals or care homes, as this is what the vast majority wish to do. *Age, Home and Community: A Strategy for Housing for Scotland's Older People: 2012 – 2021*⁴ recognises the need for suitable housing to enable people to live safely and comfortably in the community. It also notes that the majority of people live and will continue to live in housing that is already built, mostly to accessibility standards that are considerably lower than those which now apply to new build housing. To make best use of existing housing, the strategy highlights the importance of housing adaptations, as a key preventative measure in reducing the risk of falls and other accidents, and as a means of enabling people to live their lives to the full.

¹ See Annex A for further information on the Working Group.

² For the purposes of this report, personal resources are defined as income, savings, housing equity, family resources, individual budgets or other assets.

³ Adapting for Change

<http://www.scotland.gov.uk/Topics/Built-Environment/Housing/access/ROOPH/ADWG/finalreport>

⁴ <http://www.scotland.gov.uk/Publications/2011/12/16091323/0>

4. Adaptations can also provide wider social benefits. They may reduce dependence on people-based services, such as home care, supporting a more flexible lifestyle, which enables people to contribute to their communities or potentially take up employment. The provision of adaptations can also help people to remain in their own home, by reducing accidents, which might result in admission to hospital or to a care home. This means there is also a wider financial benefit, given the relatively low cost of adaptations in comparison with hospitals and care homes. This is particularly important when there is severe pressure on public spending.
5. The majority of households in Scotland are in owner occupation,⁵ and most home owners wish to remain so. Home owners face greater responsibility for maintaining and upgrading their homes than people living in the social or private rented sectors. While it is right that home owners have this responsibility, there are people who may, because of age or disability, need extra help to do this. It is in their interests to plan ahead as they get older and to 'future proof' their homes by undertaking any adaptations or improvements that might be required as early as possible. This will help them to maintain their independence and gain the maximum preventative impact and benefits for quality of life and financial savings. As identified in the Group's first report, timely information and advice are crucial to achieving this for home owners, who do not benefit from the 'safety net' of a social landlord.
6. Home owners have a range of financial circumstances. Some, often those who are older, have a lot of equity⁶ in their home, but very limited income, which may be further reduced through forthcoming welfare reforms. Although they have assets, they may need support to access funds for adaptations and improvements to help them remain in their existing home. Given the current pressures on public funding, which are likely to last for more than a decade, there is a particular attraction in helping people in this position, who have personal resources which they face difficulty in accessing, to invest them in making their housing suitable for the long term.
7. Products and schemes which can help people to use their housing equity securely can help to improve quality of life and support independent living for the individual, as well as supporting wider social and financial objectives. A number of different products and schemes are available, both commercially and from housing associations and voluntary organisations. However, whether a product or scheme is suitable for an individual will depend on that person's particular circumstances. The Group is clear that the decision on whether or not to use personal resources to 'future proof' the home should be a choice. It is also clear that, for those with realisable assets, it is a choice that should be encouraged. However, some people may face competing demands for such funds, including meeting the costs of care and shortfalls from reductions in pensions and benefits, and these will have to be taken into account.

⁵ Scotland's People: Annual Report: Results from the 2011 Scottish Household Survey
<http://sh45inta/Publications/2012/08/5277/downloads>

⁶ Equity is the value of ownership built up in a home, representing the current market value minus any outstanding mortgage balance.

8. The Group is keen to see more people pro-actively adapting their homes, as part of making the home fit for older age. Planning ahead should be seen as a normal and acceptable thing to do, with the twin benefits of enabling people to live independently and keeping them out of the health and social care systems for as long as possible. An adaptation made before a crisis point is reached is likely to be of longer term benefit and may mean that the crisis never occurs. It also means that, in the event that a crisis, such as an emergency admission to hospital, the home is already adapted and ready for the return home. Failure to plan ahead by adapting and improving our housing is likely to lead to increasing disrepair and more people moving into care. The Group, therefore, believes that support for self-help for adaptations (and other preventative support) should be seen as an item on the menu of housing and support options for older people and disabled people and included in self-directed support packages and individual budgets, where these apply.
9. Encouraging more people to adapt their homes should help to increase the stock of adapted properties. This would contribute to the expansion of choice in housing suitable for older people and disabled people. As long as adaptations are not removed, they not only benefit the person for whom the adaptation was originally installed, but also others who may live there in the future. If done well, they are a highly effective use of resources. The most common adaptations are level access showers, wet rooms and other changes relating to bathrooms. The cost varies, depending on the adaptation itself and level of personalisation involved, and the home in which it is being installed. *Better Outcomes, Lower Costs*⁷ put the average cost of an adaptation at £6,000, while Bield, Hanover (Scotland) and Trust Housing Associations, in their Social Return on Investment study⁸ of adaptations in their properties, put the average cost at £2,800.
10. While there is a need for options for people to plan ahead and ‘future proof’ their homes, this should not prevent consideration of whether a move to a new home would provide a better solution than changes to the current property. Some properties are not structurally suitable for adaptation, or if a property is very large, it may be too difficult to manage on a long term basis, and the ongoing maintenance and heating costs may be prohibitive. In these cases, a move to a more suitable property could provide an improved quality of life, and products that facilitate this, such as those using a mix of tenures,⁹ could also be helpful. Housing options advice, which takes a holistic view of the person’s needs, should help to ensure that all options are considered.

Adaptations for home owners

11. The current systems for delivering housing adaptations vary depending on the tenure of the housing in which the person lives. The system for public funding and delivery of adaptations in private sector properties is governed by the Housing (Scotland) Act 2006. This Act sought to establish a simpler and fairer

⁷ <http://odi.dwp.gov.uk/common/publications-index.php#research>

⁸ Measuring the Social Return on Investment of Stage 3 Adaptations and Very Sheltered Housing in Scotland <http://www.trustha.org.uk/news/newsdetails.php?newsID=110>

⁹ E.g. shared ownership or shared equity.

system for funding adaptations for home owners and introduced the Scheme of Assistance from 1 April 2009 to provide for grants and other forms of assistance to adapt private homes. Under the Scheme of Assistance, local authorities have a general duty to provide assistance. This can be provided as:

- Financial assistance, as discretionary grants where a mandatory grant is not available or does not cover the full cost of the work, or by way of loans or equity release;
- Practical help, through handyperson services and Care & Repair; and
- Advice and guidance.

12. Mandatory grants are payable for most work to adapt private homes to meet the assessed needs of disabled people. Local authorities will usually have an assessment carried out by an occupational therapist to determine that work is necessary. Where mandatory grant is payable, it will cover 80% of the cost of the work, or 100% if the applicant receives a prescribed means tested benefit. There is no cap on the cost of the work. If the work is not covered by mandatory grant, or the grant does not cover the full cost, the local authority may provide additional funding by way of a grant or loan, but this would be at their discretion.

13. Home extensions are excluded from the scope of mandatory grant, partly because of the high cost of such work, and partly because work that extends the structure of the property may well increase its value. The view was that this makes it reasonable to expect the applicant to contribute and consider any available lending options. Unfortunately, following the credit crunch, lending options have become considerably more constrained, and recent research [*ref Newhaven*] suggests that few local authorities are offering alternative financial mechanisms to those unable to secure commercial loans or other financial products. The issue of funding for extensions was raised a number of times by attendees at consultation events run by the Group during summer 2012.

14. Some people don't go ahead with adaptations funded under the Scheme of Assistance. There is no data available at national level on the number of people who don't proceed with adaptations or the reasons for this. Anecdotal information suggests there are two main reasons why people who are eligible for 80% grant funding choose not to proceed. In the majority of cases, it is likely that they are unable to afford to fund the remaining 20% of the cost. This may be because their income is only marginally above pension credit levels (which would qualify them for a 100% grant) or because the adaptation required is very costly. Very few local authorities use their discretion to 'top up' grants, and a loan is unlikely to be affordable to people in this position. Others (thought to be a smaller group) don't go ahead with adaptations, because they may be unwilling to contribute the remaining 20%. The Group's report on the first part of its remit makes recommendations on the future funding of adaptations.

15. Public funding for adaptations is limited. Understandably, priority is given to those in greatest need, so tends to be oriented towards crisis. However, there is a tension between this crisis management and moves toward prevention and tackling issues before they become crises. The Group is keen to encourage people to plan ahead for their future needs and noted this concern in its first

report. The focus on current, rather than future, needs means that people who wish to undertake adaptations in order to 'future proof' their homes, or in anticipation of a likely decline in mobility, are unlikely to be assessed as needing such work and will not meet the criteria for financial assistance. However, it is in everyone's interests that people are able to plan ahead, making it less likely that they will suffer falls, but if they do, that they will be more likely to be able to remain at home.

Financial options

16. The rest of the paper considers a number of products and schemes which may enable people to adapt and improve their homes. The purpose of this is to highlight ways in which people who have resources can be helped to use them to live independently. The Group is clear that people who do not have assets should not be encouraged to take out financial products that are not appropriate to their circumstances. Furthermore, independent financial advice is crucial for anyone considering taking out such a product, particularly for people on means tested benefits, whose entitlements may be affected.

Options for loans

17. For people who would like to pro-actively adapt their homes, but don't have savings or other sources of funding, such as family resources or potentially individual budgets,¹⁰ a loan product is likely to be the first option. However, older people and disabled people seeking commercial finance for housing, whether for adaptations and improvements or to move home, often find that accessing suitable products is not straightforward.

18. Lenders have become more cautious, particularly with people who do not fit into standard categories of borrower, and who may be using benefits to fund repayments. Centralised systems for processing applications have also reduced flexibility. This means that it can be hard for disabled people, and often impossible, for disabled people and older people to get beyond the first hurdle of applying for a financial product, such as a mortgage, if they don't tick the right boxes. On the one hand, many disabled people have no debt, which is good, but on the other, they often have no credit rating, because they have never had access to financial products. Any credit rating they do have is likely to be reduced by failed loan applications.

19. Applications for personal or mortgage loan funding for adaptations or for new build properties suitable for older people and disabled people have to be dealt with on a case by case basis. There is no 'one size fits all' solution, due to the complexity of different people's situations, particularly in relation to benefits, and different lenders' policies. In such cases, a specialist adviser, or a broker who is known to lenders, may be able to help with access to officials with the authority

¹⁰ One of the options under self-directed support, an individual budget is an allocation of funding given to service users, after an assessment for support, to enable them to buy the services they need to live independently.

and flexibility to consider non-standard applications. However, it is important that people see an adviser at an early stage, before damage has been done by making multiple failed applications, resulting in a poor credit rating. Unfortunately, it can sometimes be difficult to find advisers willing to take on lower value products, such as those generally sought by older people and disabled people, because of the lower fees they attract.

20. For people who face difficulty in accessing commercial finance, a credit union may offer a safe alternative. Credit unions are co-operatives, which are owned and democratically controlled by their members (i.e. their customers) and promote self help. Credit unions promote responsible lending, giving members access to current and saving accounts, affordable loans, insurance products and financial education and money advice. Profits are distributed to members as dividends, so that the money stays in the community.
21. Credit unions are particularly well-placed to provide services for people on low incomes and also those who need access to relatively small loans. A key point for people on low incomes is that loan products provided by credit unions have fair and reasonable interest rates, although these may be more expensive than some of the commercial lenders, to which they don't have access. Older people and disabled people, who don't have access to commercial lending, are likely to benefit from the more personal service offered by a credit union, with decisions on loans being made on an individual basis according to personal circumstances. The Group believes that more people could benefit from the services of credit unions, if there was better publicity, and that there is scope for greater linkages between credit unions and housing and other advice agencies. However, it is also clear that people should not be encouraged to take on debts that they can't afford to repay.

Equity release

22. Any loan, whether from a bank or credit union, will require to be repaid. An option for people who don't have sufficient income to meet loan repayments, but do have equity in their home is to use some of that equity. Equity release¹¹ has been around since the 1960s, but gained a poor reputation in the 1980s, due to the number of cases which resulted in negative equity and repossession. Since then, consumer protection has improved through regulation brought in by the Financial Services Authority in 2004 (lifetime mortgages) and 2007 (home reversions). There are now fewer providers in the market, as regulation has tightened up.
23. The increased protection through regulation is not widely known about, and equity release is still unpopular among older people who are potentially the main beneficiaries. This dislike was consistently voiced during focus groups with older people in 2011 to discuss the Scottish Government's draft strategy for housing for

¹¹ Defined as schemes which are designed to allow home owners to 'release' cash from the value of a property as income, a lump sum or a mix of both. There are two forms: home income plans and (less commonly) home reversion schemes.

older people, and it was clear that the current economic situation and banking crisis have added to their lack of trust in financial products. There is also a desire, particularly among many older people, to leave their home in its entirety to their family. This is particularly the case among the 'oldest old', but much less so among the 'younger old',¹² suggesting that over time there may be a greater willingness to make use of equity for adaptations.

24. Although increased regulation has improved the quality of equity release products, issues remain, particularly in relation to high set up costs (arrangement fees) from the older person's perspective, relative to the amount of equity being released. This is particularly the case for small sums of money, which are what most older people need to make adaptations. Anecdotally, take-up in Scotland is believed to be low, although no statistics are available. The application of compound interest makes equity release expensive, as the amount owed increases quickly, particularly over a long period of time. Those most likely to benefit are people with high levels of property equity, but low incomes and no savings, and who are unlikely to remain in their property for a long time.
25. Although using equity can be an attractive way of increasing personal resources, products such as equity release will not be suitable for all home owners, particularly those with low levels of equity. For this reason, equity release is unlikely to be an option for younger disabled people, who are more likely to have limited equity and on low incomes. They are also likely to expect to remain in their property for an extended period of time, so standard remortgaging will probably provide a better means of accessing equity in their homes (although this is currently difficult, particularly if the person relies on benefits as a main income source). In some cases, remortgaging may also be a better option for older people, although there are upper age restrictions on some products, and they would have to be able to afford the repayments. Whatever level of equity a home owner has, it is vital that anyone considering these types of schemes or products takes independent financial advice, before signing up.
26. Adaptations and improvements to enable independent living are not the only potential calls on equity in properties. There is also currently considerable interest in using equity for purposes such as care costs, as suggested in *Fairer Care Funding*,¹³ and to meet climate change requirements. People who are willing to use their equity may decide to spend the resources it provides on other things, such as lifestyle improvements, if it derives from a commercial product. It is also clear that increasing numbers of people are now reaching older age with considerable debts, and some are using their property equity to clear these.

¹² Can equity release help older home owners improve their quality of life?
<http://www.jrf.org.uk/publications/equity-release-older-home-owners>

¹³ Fairer Care Funding: Reforming the Funding of Adult Social Care
<http://www.dilnotcommission.dh.gov.uk/our-report/>

The Joseph Rowntree Foundation Home Cash Plan

The Joseph Rowntree Foundation (JRF) has been working for a number of years to find a solution for older home owners with substantial housing equity, who cannot afford the help they need to continue to live in their homes. This work culminated in the establishment of equity release pilots by three local authorities in England in late 2009 and early 2010.¹⁴ The key features of the pilots were local authority involvement as a gateway and training provider; provision of independent advice, ensuring that solutions other than equity release were considered; the availability of small sums; and a minimised risk of an adverse effect on benefits. The product, known as a *Home Cash Plan*, was offered through a regulated adviser, Just Retirement Solutions and provides an initial drawing of £5,000, followed by further sums of £2,000 on demand.

An evaluation of the pilot schemes¹⁵ found that take up was very low. There were 20 enquirers, of whom ten found a 'sound solution' through the pilots. In six cases, the 'sound solution' was equity release. The main reasons for the low response were identified as follows:

- The poor reputation of equity release;
- Lack of contact with those most likely to benefit from equity release – the pilots operated through local authorities, and relatively few home owners are in contact with their local authority about the suitability of their housing;
- Constraints on initiating contact with those who might be helped, including legal restrictions;
- Reluctance of local authority staff to suggest use of property equity; and
- An under-estimate of the length of time people needed to make a decision to enquire about equity release.

One positive outcome from the pilots is that the Home Cash Plan is now offered nationally by Age UK and FirstStop. The existence of this product means that older people, who would benefit from it, do now have the option to use the equity in their homes for purposes such as adaptation and repair, knowing that the plans on offer are from providers who are members of SHIP (Safe Home Income Plans)¹⁶ and abide by their code of practice.

27. The Group is pleased to see the development of an equity release product, which is secure and well regulated and expands the commercial options for people to draw on equity in their homes. However, while this type of product could provide

¹⁴ Can equity release help older home owners improve their quality of life?

<http://www.jrf.org.uk/publications/equity-release-older-home-owners>

¹⁵ Assessment of equity release pilot schemes <http://www.jrf.org.uk/publications/equity-release-pilot-schemes>

¹⁶ SHIP was established in 1991 in response to the need for greater consumer protection in the equity release market. It represents the majority of the equity release market by volume, and all members must abide by its code of practice which goes over and above FSA regulation. <http://www.ship-ltd.org/default.aspx>

the finance needed to 'future proof' the home, it would not help with the advice, support and technical expertise that many people need to undertake housing adaptations and improvements. People who accessed their equity using a commercial product would still have to organise the works and liaise with contractors. The minimum drawing of £5,000 is also higher than the cost of most basic adaptations, and the drawing of smaller sums is not seen as commercially viable. The Group is, therefore, concerned that the product will not prove sufficiently attractive to many people who might pro-actively use equity to make adaptations to their homes. The following example from Link Homecare provides a model, which could help to combine the use of equity with advice and technical assistance.

Equity swap – Link Homecare

Link Group, an established Scottish housing association, has developed a model for an equity swap scheme, aimed at older home owners living in homes in poor condition or in need of adaptations. The aims of the scheme include helping older people to remain at home, safely and comfortably, as well as tackling fuel poverty.

The scheme is not yet in operation. A funding source would be required for its establishment, as it is an ethical scheme, which could not be delivered on the market. The scheme would share risk between the home owner and the funder, but no cash would change hands, so there would be no impact on benefits. It would be sustainable, as the revolving fund would be replenished, when properties are eventually sold.

Advice would be provided to anyone considering taking up the product to ensure that it was right for them. Works to undertake the adaptations or improvements required to the property would be done by Link's contractors, with project management and quality guaranteed by Link. This could include improvements to roofs, insulation, central heating, windows, kitchens and bathrooms, as well as adaptations. Any grants available for the works would be pulled in to reduce costs.

The equity swap would be the cost of the works as a proportion of the value of the property following the works. The funder would receive this percentage of the value when the property is eventually sold, with the remainder going to the home owner. If the home had increased in value, both the home owner and funder would make a return on the investment, with the funder's share being re-invested in further Homecare programme projects.

Shared equity and shared ownership

28. Another way of accessing property resources is to change the tenure of the home, or to buy a property using mixed tenure arrangements. Shared equity is (one of) the most common ways of doing this. The borrower pays a percentage of the purchase price, but owns 100% of the property. The balance of the purchase price is paid through an equity share loan. No rent is paid on the equity

share, and the value of the property is split according to the relative percentages on disposal or sale. Some schemes give the borrower the right to buy out the equity sharing lender's percentage. Its affordability is currently enhanced by low interest rates on the payments on the loan element, and there is also no requirement to pay rent.

29. Shared ownership generally involves the purchase of a share in a property as a lease. Ownership is shared with the owner of the remainder of the property (usually a Registered Social Landlord in Scotland), on which rent will be payable. The need to pay rent on the portion that isn't owned may impact on affordability. In many cases, there is an option to 'staircase' additional percentage in the property share up to 100%.

Access Ownership

Housing Options Scotland (HOS), Horizon Housing Association and Link Group are partners in operating the 'Access Ownership' shared ownership scheme to help eligible disabled people to access suitable housing. HOS, taking a person centred approach, looks holistically at what the person needs, and identifies if the Access Ownership scheme can play a part in meeting those individual needs. Access Ownership is one of the most popular schemes for HOS clients. Although it helps a relatively small number of people, there are much wider consequences, as it enables those people to live independently in their own homes in the community, potentially saving on costs for residential care.

In relation to this paper, Access Ownership offers a route for people to contribute their own resources to an independent housing solution. It can support people to release equity from the home they live in, in order to make it financially sustainable for them to continue living there. More commonly, it supports people to invest their resources in the purchase of a more suitable home. In both cases, it also opens up access to the housing management and maintenance services which can make it practically sustainable for the person to live in their own home. In essence, this is a shared ownership scheme where each purchase is individually tailored to the client's needs and circumstances.

The pilot scheme was operated by Link Group. The second phase is being operated by Horizon, funded by Link Group, which designated an initial £1 million from its reserves to run the programme. Referrals for the scheme are made by HOS. The client buys a share in the property, sometimes with a mortgage and sometimes with cash or equity from a previous, unsuitable, home. The sharing owner pays an occupancy charge to Horizon for the share retained by Horizon and for services. The charges are eligible for housing benefit, and Horizon provides management and maintenance services, with the level of service also tailored to the individual circumstances. Both parties share the risk of loss of value, or benefit from increase in value, pro rata to their level of investment.

The scheme is designed for disabled people, or families of disabled people, in particular circumstances, often those with limited incomes but who can access capital. The set up is labour intensive because each client's situation is unique.

Housing Options Scotland plays a key role as advisor to the clients. If a mortgage loan is required, there is often considerable discussion with lenders, who see higher risks in lending, which may be based on benefit income or to a non-traditional form of tenure. Housing benefit implications need to be carefully considered and, sometimes, negotiated with local authority housing benefit departments, if they are higher than standard allowances.

Case studies

A recent example of Access Ownership involved a retired couple, whose home had been adapted to meet their needs. They were reaching the end of their mortgage period, and their lender was unwilling to renew the mortgage, due to their age and financial circumstances. They could not find another lender and they were not eligible for the Scottish Government's mortgage rescue scheme (Mortgage to Rent). Horizon purchased the house and then sold a share back to the couple, with an occupancy agreement that also includes maintenance services. This has enabled the couple to reinvest their own resources to achieve a sustainable housing solution for their older age, as well as protecting the adaptations grant funding which had been invested.

Another example involved two friends with learning disabilities. With family funding and mortgage finance, they have become joint sharing owners of a suitable property, located near family supports. The housing solution enables them to pool their care budgets in order to access the 24 hour support they need, and which they could not afford if they lived on their own.

Flexibility with tenure – three case studies from Albyn Housing Society

Case study 1

A couple required major adaptations to stay living in the local rural community. The value of the property was £100,000, and the cost of adaptations was £30,000. The Highland Council helped Albyn to fund the adaptation with an interest free loan. Albyn took a second charge against the property for 24% (30,000/130,000) of the value of the property to be repaid to the Council via Albyn on ultimate re-sale. The couple still have full ownership of the property with an equity stake being held against the adaptations costs – essentially the same as for a shared equity LIFT property.

Case study 2

The family home no longer met the needs for a family with one physically disabled child. Sufficient equity in the property could be released for Albyn to build a fully adapted shared ownership property at a nearby new development about to go on site. The family sold their original property and invested their equity (and mortgage) in a 50% share of the new property. Albyn retain the other 50% share as a shared ownership property.

Case study 3

The family owned a fully adapted former Albyn property. There was a relationship breakdown, and neither partner could afford to buy the other out to own the property

outright. The Highland Council were faced with a potentially homeless family in priority need with specific requirements, and no house available to let with the adaptations required. The solution was for the family to sell the house to Albyn, which purchased it with private loan finance and shared ownership Housing Association Grant. Albyn then sold 50% back to the wife as the sole occupant under shared ownership, and the husband relocated with his share of the equity from the original property transaction.

30. These case studies show the benefits of the innovative and flexible person-centred approaches that can be taken by housing organisations. Such approaches are particularly helpful in rural areas, where the number of suitable alternative properties is often extremely limited. The provision of information and advice, in the form of housing options, is clearly key, looking at all the financial and property-based alternatives, including moving home. This is the type of approach taken by many housing organisations, including Care & Repair, which would be well-equipped to manage such projects.
31. Unfortunately, the types of approach used in these case studies remain, and are perhaps increasingly, rare. They tend to be 'one-offs' or undertaken on a very small scale. This is mainly due to limitations on the resources of housing associations and local authorities, but also to the current stagnation of much of the Scottish housing market, which reduces options for moving home. Higher levels of public intervention and funding would now be needed to make the finances stack up. However, it would help to extend the use of such innovative approaches, so that they become more than 'one-offs', at less cost than the alternatives.

Conclusion

32. Adaptations can make a real contribution to independent living for older people and disabled people, by ensuring the home is fit for their needs. The Group believes that public investment in adaptations pays dividends, not just for individuals, but for society as a whole. The Group would welcome additional public resources for adaptations, as a key preventative measure.
33. The Group also recognises that public funding is limited and, with an ageing population, there is a need for people to plan ahead, as they get older. By proactively adapting and improving their homes or downsizing where appropriate, home owners can give themselves the best opportunity of being able to live independently for the long term. Information and advice services, including independent financial advice and housing options, are vital to help people to consider all their options, from ways of 'future proofing' their current home to the possibility of a move to new property if that could better suit their needs, as well as support to manage these processes. This type of planning ahead needs to happen early, when people have the widest range of choices available to them and are best able to make decisions.

34. While there are now well-regulated commercial products that could allow people to draw on equity to fund their own adaptations, the costs are expensive, particularly for small sums. There is also still a trust gap for many people. It, therefore, seems unlikely that there will be substantial take-up of such products, at least in the short term. The Group believes that, if equity is to play a role in planning ahead and making our housing fit for the future, the public sector needs to lead the way, ideally with a package that would deliver the adaptations as well as the finance. This would ensure that the adaptations and improvements made were appropriate, of high quality and long lasting.

ANNEX A: ADAPTATIONS WORKING GROUP

The Adaptations Working Group was independently chaired by Julia Fitzpatrick (Managing Director of Horizon Housing Association) and included representatives of organisations representing older people and disabled people and the housing and social care sectors:

- Age Scotland;
- Bield, Hanover (Scotland) and Trust Housing Associations;
- Capability Scotland;
- Care and Repair Scotland;
- College of Occupational Therapists;
- COSLA;
- Housing Options Scotland;
- Joint Improvement Team;
- Scottish Federation of Housing Associations; and
- Scottish Housing Best Value Network.

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