

Successive applications - offsetting and disabled facilities grants

This note is intended to clarify the position where a contribution to the cost of works is itself reduced because of a contribution to a previous cost of works.

The structure of the regulations

Regulation 12, Reduction in amount of grant, provides generally for any grant to be reduced by the amount the means-test determines can be paid.

Regulation 13, Successive applications says:

"The amount by which a grant in respect of a current application is reduced shall .. be abated ... by the amount by which any grant paid in respect of any application ... was itself reduced by virtue of regulation 12 and this regulation [and the predecessors of regs 12 and 13]".

It also provides:

- for these offsetting provisions to apply to owners applications within a 10 year period and tenants applications within a 5 year period.
- that the reduction can only be made when the application is in respect of the same relevant person living in the same property.
- that where the assessed contribution was more than the cost of works, and therefore no grant was paid, the amount that was spent on the works can be offset against a later grant.

The simple case

In the simple case, a first grant is reduced by the determined level of contribution, and this contribution is offset against the contribution required towards a second set of works.

Example

Mr and Mrs Jones are owner-occupiers. They apply for a grant, the cost of works is £5,000, their assessed (and paid) contribution is £1,000.

Mr and Mrs Jones apply within the 10 year period for a further grant on the same property. The cost of works is £7,000, their assessed contribution is now £2,000. This is reduced by the amount paid towards the first grant, £1,000, so their contribution to this grant is not £2,000 but is only £1,000.

Cases where no grant is actually paid

In these cases it seems that if the applicant/relevant person has had their application formally assessed then where the cost of works is less than their contribution, the costs of works can be offset against a second application.

Mr and Mrs Owen are owner-occupiers. They apply for a grant, the cost of works is £6,000, their assessed contribution is £10,000. They receive no grant but do go ahead with the works. The cost to them is £6,000.

Mr and Mrs Owen apply within the 10 year period for a further grant on the same property. The cost of works this time is £7,000, their assessed contribution is now £11,000. This contribution is reduced by the amount they paid towards the first set of works, £6,000. So their contribution after offsetting is £5,000 (£11,000 - £6,000). As the works cost £7,000 and their contribution is £5,000, they will receive a grant of £2,000.

Second and subsequent offsets

We are of the view that the meaning of regulation 13 is that the assessed contribution to any previous set of works can be offset against the current application

Mr and Mrs Davies are owner occupiers who apply for 3 grants, all within the 10 year period that brings them within the scope of the offsetting provision.

Mr and Mrs Davies apply for a grant, grant 1, the cost of works is £5,000, their assessed and paid contribution is £1,000.

Mr and Mrs Davies apply for a grant, grant 2, the cost of works is £6,000, their assessed contribution is now £1,500. This is reduced by the amount paid towards the first grant, £1,000, so their contribution will be £500.

Mr and Mrs Davies apply for a grant, grant 3, the cost of works is £4,000, their assessed contribution is £2,250. This is reduced by the amount paid towards "any" relevant grant application, so will be reduced by the £1,000 paid towards the first works and the £500 paid towards the second works, leaving £750 payable (£2,250 - £1,000 - £500).

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