



**Stockton-on-Tees**  
BOROUGH COUNCIL

**Private Sector  
Housing Division**



**Stockton-on-Tees Borough  
Council  
Private Sector Housing Renewal  
Financial Assistance Policy**

**1 April 2010 – 31 March 2015**

May 2010

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### 1. Background

- 1.1. This document sets out the approach of Stockton-on-Tees Borough Council to the provision of financial assistance. The Policy complements the range of measures employed by the Council, aimed at improving and maintaining healthy and safe living conditions within the existing housing stock and specifically seeks to help homeowners to improve, repair and adapt their properties. Whilst the Policy will target assistance at those who are elderly, disabled or on a low income, assistance will also be targeted at preventing decline within neighbourhoods in need of support.
- 1.2. The Policy has been produced to reflect the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. This Order repealed much of the existing prescriptive legislation governing the provision of grants and replaced it with a more general power to provide a range of forms of assistance.
- 1.3. The Policy includes a range of loan assistance types, and places emphasis on testing a client's ability to contribute to the cost of works. This is in line with the Governments view that "*it is primarily the responsibility of homeowners to maintain their own property*"<sup>1</sup>, and with the Councils commitment to ensure that limited public resources are used responsibly. The Policy follows the principles of loan assistance first, and grant assistance as a last resort, and focuses on providing financial options for those who are excluded from mainstream sources of finance. The combination of different loan and grant products and the ability of the policy to tailor financial assistance to meet individual needs, will contribute to the sustainability of the Financial Assistance Policy in the longer term.
- 1.4. This Policy sets out the advice, practical support, and loan and grant assistance, that is available, together with the eligibility criteria and the conditions that will be applied and brings together assistance which is made under alternative statutory powers such as the provision of mandatory Disabled Facilities Grants under the Housing Grants Construction and Regeneration Act 1996 (as amended).
- 1.5. This policy has been developed having regard to the objectives of the Regional and Sub Regional Housing Strategies, and at a local level the Council's own, Sustainable Communities Strategy, Council Plan, Older Persons Strategy and Independent Living Strategy.
- 1.6. This policy will directly contribute towards the following Sustainable Community Strategy themes:
- Environment and Housing
  - Healthier Communities and adults, and
  - Safer Communities
  - Stronger communities

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<sup>1</sup> Office of the Deputy Prime Minister Circular 05/2003 "*Housing Renewal*".

## 2. **Funding**

- 2.1 The award of any loan or grant under this Policy is subject to the availability of funding having regard to the capacity of the Capital Investment Programme approved budget and this may vary on an annual basis. All loans and grants (excluding Mandatory Disabled Facilities Grant) are provided at the discretion of the Council. Priority for assistance will be given to those households living in the poorest economic circumstances, in the worst housing conditions, or in areas specifically designated by the Council which may be in line with wider Regeneration priorities.

## 3. **Delivery**

- 3.1 This policy has effect from 1<sup>st</sup> April 2010, following approval by the Council's Cabinet. Arrangements to deliver the financial assistance products will be developed in a method that will be consistent with those that are being developed across the north east region. The North East Regional Loan Partnership (consisting of representatives of each of the sub-regions in the North East, Government Office for the North East, North East Assembly and Foundations, the Co-ordinating Body for Home Improvement Agencies) is currently considering how financial assistance can be delivered across the region in a way that will take advantage of scale, to facilitate the increased recycling and reinvestment of funds into remedying poor housing conditions. Through effective joint delivery across the region, and the building of a worthy track record of the provision of loans assistance, it is envisaged that the Policy will become increasingly self sustaining through the attraction of private finance.
- 3.2 The availability of the financial assistance products within this Policy are limited to those detailed in Section 6.2 – Financial Assistance.
- 3.3 The policy will be subject to continuous monitoring and an annual review to ensure that it remains suitable and is contributing to achieving strategic housing objectives in the most effective way. An assessment of the outputs and the outcomes achieved by the Policy will be made. These will include, among others; the number of households supported in carrying out repairs, improvements or adaptations using their own resources, and an examination of whether their increased confidence as a result of practical support through the process would make them more likely to carry out further works, and the number of households who have been able to continue living independently after receiving Council Loan or Grant Assistance. Where certain changing circumstances have a significant impact on the operation of the policy, necessary changes will be made to the policy. Changes could include financial limits, changes in legislation, and changes in local or national housing policies. Changes that will affect the financial assistance types, eligibility for financial assistance, or the conditions associated with assistance and that will prevent local authorities from operating on an equal footing will be examined at a regional level. All changes will be subject to local Cabinet approval. Where assessment shows that the Policy is operating satisfactorily and that no changes are required, the relevant Council Cabinet Member will be provided with a progress update.

## Consultation

4.0 This policy has been developed with the support of the 12 North East housing authorities within the North East region, the North East Housing Board (NEHB), Government Office North East (GONE), the Association of North East Councils (ANEC), and a range of public and private stakeholders. This approach has allowed for consultation on a regional basis with consideration of national issues, including recent and emerging central government policy.

At a local level the development of this policy was one of the key actions highlighted by the Tees Valley Sub Regional Housing Strategy 2008 to 2011.

Consultation through the Local Strategic Partnership (LSP) has also been undertaken

## Objectives of the Policy

5 The Policy has a number of objectives, which are:

**5.1 To improve and maintain healthy living conditions within private sector housing, specifically helping homeowners on limited incomes to repair, improve or adapt their properties and so facilitate independent living;**

This may include;

- Advice, guidance and financial assistance to tackle the existence of Category 1 Hazards under the Housing Health and Safety Rating System (HHSRS); the minimum standard for housing and to improve homes to meet the Decent Homes Standard, giving priority to people with disabilities, older people and those who are on low incomes, who are otherwise excluded from accessing reputable forms of finance. Assistance towards a Standard that is either higher or lower than the Decent Homes Standard may sometimes be appropriate. For details of the Decent Homes Standard, and works that may be assisted see Appendix A.
- The provision of mandatory Disabled Facilities Grants, and financial help for people with specific assessed needs to move to alternative private or affordable housing when their existing homes are unsuitable for adaptation or to assist with the funding of adaptations that exceed the mandatory disabled facilities grant limit.
- Financial Assistance towards the conversion of properties into larger family homes to meet local housing need

**5.2 To contribute to the regeneration of areas suffering from market vulnerability, and to tackle poor housing conditions in areas where these may contribute to neighbourhood decline;**

This may include;

- Tackling low confidence in neighbourhoods through the provision of financial assistance towards works to improve the visual appearance or security of homes
- The provision of financial assistance towards works that will enable problematic empty homes to be brought back into use.
- Financial assistance to encourage tenure change in areas where the number of rented properties is disproportionately high, and where this is linked to a poor perception of the area. This may include provision of assistance to first time buyers.
- Financial assistance to help those affected by the Council's plans for property clearance to relocate to a more suitable home and to improve the replacement home to a Decent Standard if this is required.
- Financial assistance to encourage the improvement of privately rented properties beyond statutory minimum standards.

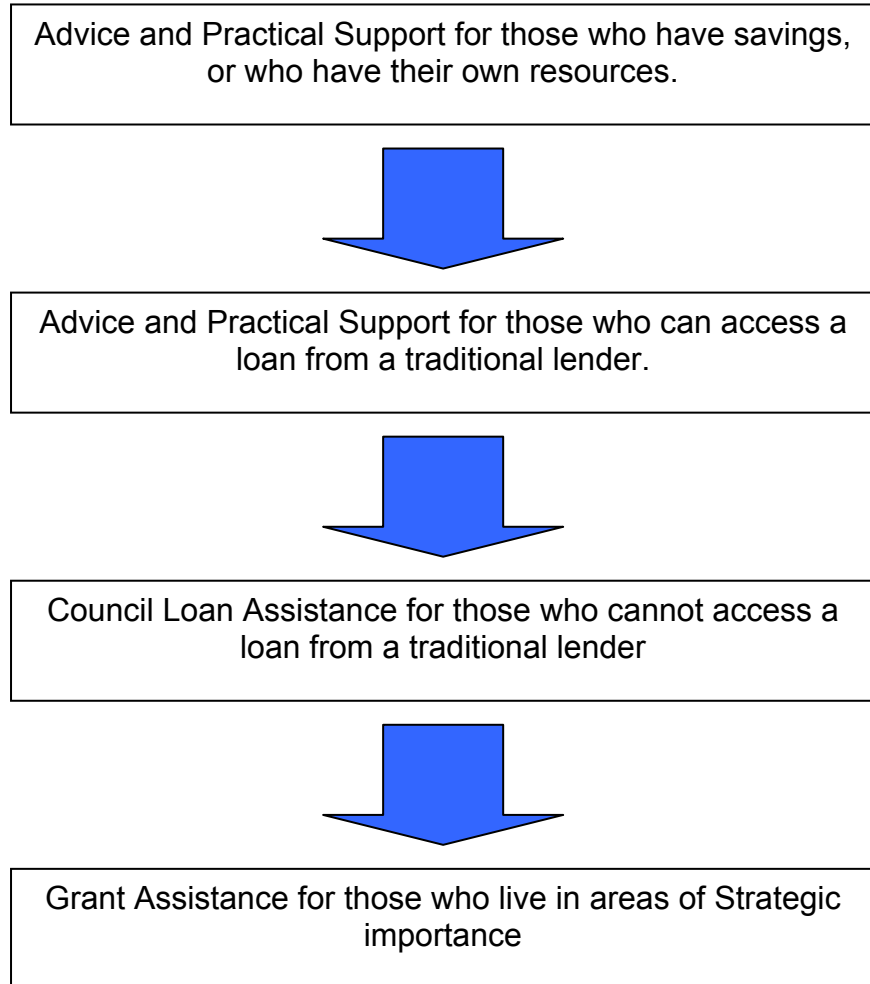
**5.3 To encourage owners to undertake works that will make their homes more energy efficient and to reduce the number of people affected by fuel poverty.**

This may include;

- Contributing to the costs of measures that will enhance thermal comfort through local 'Warmzone' or other Energy Efficiency schemes where these exist, particularly where a client is eligible for assistance from 'Warm Front', but is unable to afford their Client contribution.

## Advice, Practical Support and Financial Assistance

- 6 This chapter of the policy sets out the types of assistance that are available, and explains in more detail the 'hierarchy of assistance' of the loans first, grants last resort principle around which this Policy is based;



### 6.1 Advice and Practical Support

6.1.1 In Partnership with Broadacres Home Improvement Agency, advice is available to all Clients to enable them to make informed choices about the options available to them for home improvements, adaptations and relocation. Specifically in relation to how to;

- Identify what works are required to repair or improve the home
- Personally carry out home maintenance, preventative and improvement works or access the local 'Handy Person' Service where they are eligible for help;
- Understand what the work may cost if a contractor is required, and consider the options for funding the work, this may include helping to consider charitable or family funding, use of insurance cover, or how an Independent Financial Advisor may be able to help, and sign posting to suitable local firms;
- Select a contractor to carry out the works, including the provision of a list of suitable designers, contractors and agents.
- Decide whether staying put or relocation offers the better solution for their circumstances

6.1.2 Where a Client is eligible for financial assistance toward the cost of work (this is explained in sections 7, 11 and 12) the Council in partnership with Broadacres Home Improvement Agency will make sure that all work is carried out to a high standard, by inspecting the work and communicating with the contractor.

**6.1.3** If a Client is able to fund the cost of the work, but requires further support to obtain and assess estimates, and to select, appoint and manage a contractor, a Project Management Service may be available.

## **6.2 Financial Assistance**

**6.2.1** The types of financial assistance the Council will provide through this financial assistance policy are:

- Capital and interest repayment loans
- Equity Share Loans
- Interest free loans
- Disabled Facilities Grant (see separate DFG Policy for details)
- Area/theme based assistance

Other types of financial assistance shown in this policy may be introduced at a later date subject to the availability of funding and a sound strategic need.

**6.2.2** Information from the client relating to their finances and from any spouse or partner living with the client or any other joint owner, together with the cost of the works they require financial assistance towards will be used to determine the type and level of assistance (if any) that would be most appropriate to suit their personal circumstances. The Council will consider making an exemption of this rule for those clients over the age of 65 and those clients who have children under the age of 16 permanently living with them and where the financial information of a joint owner cannot be obtained.

**6.2.3** This affordability test includes consideration of income, such as any salary and benefits that are received, and outgoings, such as an existing mortgage, any loan repayments as well as living costs. Living costs may include the cost of household bills and running a car. These costs will help the Council to calculate whether the Client might be able to access a loan from a bank or building society or whether the Client could reasonably make repayments on any loan that the Council may be able to provide. A property valuation may also be undertaken in order to assess the potential for releasing the value of any equity.

**6.2.4** Where the test determines that a client, joint owner, spouse or partner has sufficient income or equity to meet the cost of the works from a mainstream source they will be offered information and practical assistance to help them to carry out any works that are required, or to move home if appropriate. They will not be eligible for financial assistance from the Council.

- 6.2.5** Clients whose financial circumstances exclude them from accessing finance from a mainstream source shall, subject to the availability of funds, be considered for the forms of financial assistance from the Council contained within sections 11 and 12 below. In order to ensure that any lending is responsible, access to Independent Financial Advice may also be made available to help a client to choose the most suitable means of funding the cost of work required.
- 6.2.6** The hierarchy of assistance will not apply to the following forms of assistance, though they each have specific eligibility criteria;
- Mandatory Disabled Facilities Grant. See section 12.1 and separate DFG policy
  - Area Based Assistance. See section 12.5.
- 6.2.7** All applicants will be offered the services of the Council's Private Sector Housing Agency Service to assist the applicant through the financial assistance process. See section 10. This service is free to the applicant. However, there may be some fees the applicant will be expected to pay. For example, architects or consultant fees or planning and building control fees. These fees will be made clear to the applicant from the outset and where possible added to the financial assistance provided.
- 6.2.8 Where an applicant incurs chargeable fees during the process of applying for financial assistance but subsequently the applicant does not take up an offer of a loan the fees incurred will be recovered by the Council.
- 6.2.9 All loans provided through this financial assistance policy will be administered by a Regional Loans Administrator (RLA). The role of the RLA, which is free to the applicant, will be to ensure any loan offered is suitable, appropriate and affordable to the applicant.
- 6.2.10 The provision of financial assistance by the RLA will be governed by the Financial Services Authority (FSA) Regulations. This means that any loan product offered to the applicant will have to be appropriate to their personal circumstances. As such the applicant may be referred by the RLA to an Independent Financial Advisor and/or a property valuation may have to be obtained from a registered valuer.
- 6.2.11 Applicants eligible for financial assistance will be provided with a loan offer document. Applicants who accept the terms and conditions of the Loan Agreement will be given a 14 day 'cooling off' period within which they can change their mind if they wish to do so.
- 6.2.12** The extent of the responsibility, placed upon the client to pay for 'unforeseen' works i.e. extra work that becomes apparent once the work has started, will be limited to 10% of the value of the works detailed in the Schedule of Works approved by the Council. If costs of the unforeseen works exceed this amount the Council will be responsible for the additional amount required.

## 7.0 Eligibility Criteria

- 7.1 Financial assistance will be available to homeowners and landlords across the whole of the borough. However, there may on occasions be a need to target specific areas due to the conditions that exist or because it is a specific requirement of a particular funding provider.
- 7.2 The Council will operate an enquiry list (see section 9) and accept enquiries from homeowners and landlords who on the date of the enquiry.
- Are aged 18 or over and
  - Have owned (and in the case of homeowners have also lived) in the property as their main residence for a minimum period of 12 months
- 7.3 Where loan assistance has been provided and work undertaken the Council will not accept further enquires within a 24 month period from the date the work was considered to be complete.

## 8.0 Eligible Works

- 8.1 The Council will only provide financial assistance to remedy works which it considers to pose the greatest risk to the health of the occupiers of the property.
- 8.2 These health risks (or Category 1 hazards) will be determined by the Council by undertaking a full inspection of the property and assessing its findings using the Housing Health and Safety Rating System (HHSRS).
- 8.3 The Council recognise that upon completion of the work to remove Category 1 hazards that some disrepair may still be evident in the property. In such situations the client will be provided with advice and information on how they can resolve or reduce the problems themselves.

## 9.0 Enquiry Process

- 9.1 All enquirers will be informed at the first point of contact that the Council is simply recording their enquiry and as such there is no guarantee that they will receive financial assistance.

- 9.2 All enquirers will have their enquiry acknowledged in writing within 10 working days. They will also receive information on other services or organisations who may be able to assist them.
- 9.3 The placing of an enquirer on an enquiry list does not oblige the Council to provide financial assistance or even process the enquiry to an application stage.
- 9.4 The Council reserves the right to manage the enquiry list in such a way to achieve the maximum strategic benefits possible from its limited resources. As such the Council will not enter into discussion with enquirers about the status of their enquiry, but will write to enquirers on an annual basis to ask if they wish to remain on the enquiry list.
- 9.5 The Council reserves the right to remove from the enquiry list or from the application process (where this has commenced) any enquirer/applicant who has provided false or incorrect information. Should an enquirer/applicant be removed from the process they will be charged for any fees incurred by the Council at the point of removal.
- 9.6 The Council having regard to its available financial resources and strategic objectives will identify and approach enquirers whose details have been recorded on an enquiry list. The Council will ask those that it approaches to progress to the application stage.
- 9.7 Applications submitted by those not requested to do so by the Council will be returned to the sender
- 10.0 Agency Service
- 10.1 To assist in the application process, the Council may offer the applicant the use of its in house Agency Service. The purpose of the Agency Service is to make the process of applying for financial assistance as trouble free for the applicant as possible.
- 10.2 The provision of the Agency Service is discretionary. This means the Council may not chose to offer its Agency Service or it may withdrawn such services if it is deemed that the provision of those services does not meet the best interests of the Council or the applicant.
- 10.3 The Agency will provide the following services:-
- Property survey to identify works that may be eligible for financial assistance and other works which will be the responsibility of the applicant to remedy.
  - Assistance in completing application forms and other documents.
  - Appointing an architect, obtaining planning permission and/or building regulation approval, where necessary.

- Preparation of a detailed schedule of work
- Obtaining estimates from contractors registered with the Council
- Appointing contractors to undertake the approved work
- Arranging pre start meetings
- Supervision of work on site
- Arranging for the submission of invoices, certificates, etc
- Payment of contractors
- Ensuring compliance with Health and Safety regulations, Party Wall Act and other relevant legislation.

10.4 The Agency will charge a 12% fee for the cost of this service. This fee will not be charged to the applicant. This fee may be reviewed from time to time.

10.5 Where the applicant chooses to employ the services of the Agency a formal contract between the parties will be entered into.

10.6 The Council is under a statutory duty to deal with Category 1 hazards once they become aware they exist. To fulfil this legal obligation and to also reinforce with the applicant that it is primarily their responsibility to maintain their home, the Council will, when providing its Agency Service, supply to the applicant.

- A schedule of work which will clearly identify any Category 1 hazards and other, less urgent, requiring attention.
- A list of contractors who have registered their details with the Council and are capable of undertaking the work as identified in the schedule of work.
- Other information that will assist the applicant to maintain their home.

10.7 The Council will periodically contact the applicant to ask if they have undertaken any of the work detailed in the schedule of work by the use of their own resources or other means.

- 10.8 To ensure that work is undertaken to a high standard, close controls relating to the undertaking of works are in place as detailed below;
- 10.8.1 Applicants who use the Agency Service will be provided with the full range of technical services as detailed in 10.3
- 10.8.2 Where the Council is acting as Agent the contractor chosen to undertake the work will be from a list of contractors who are registered with the Private Sector Housing Division of the Council and have met the strict criteria that is laid down prior to them being accepted on to that list. If a client wishes to engage their own contractor the Council will not act as the client's agent.
- 10.8.3 Prior to work commencing the Agency Service will arrange a pre-start meeting involving the applicant, the contractor, the applicant's agent (if applicable) and an officer from the Council.
- 10.8.4 The meeting will cover the following: -
- Work start date.
  - Completion date.
  - Contractor's responsibilities.
  - Applicant's responsibilities.
  - Work involved and the process of undertaking the work.
  - The contractual relationship between the applicant and the contractor.
- 10.8.5 Where the Council is acting as Agent the Agency will, where appropriate, contact the Building Control Division prior to work commencing.
- 10.8.6 Throughout the duration of the work an Officer of the Council will make periodic visits to monitor the work in progress and ensure that the work is undertaken in accordance with recognised good practice, to a high quality and to ensure work is progressing satisfactorily within the agreed timescale.
- 10.8.7 The process of inspections will continue until the contractor advises that work has been completed, at this point an Officer of the Council will undertake a completion visit to determine if the works have been completed to a satisfactory standard.
- 10.8.8 Where an applicant is not satisfied with the standard of work, both during work in progress and at the completion stage and an Officer of the Council is in agreement, the contractor will be instructed to remedy the defect(s).

- 10.9 Following completion and payment the Council will forward, where applicable, all relevant certificates and guarantees relating to the work. In addition the client will receive a home maintenance booklet which will assist them in maintaining their properties throughout the financial assistance condition period and beyond.
- 10.10 Upon satisfactory completion and payment of works there will be a period of 12 months from the certified date of completion in which the contractor who undertook the works will be responsible for remedying any defects which have arisen as a result of undertaking that work.
- 10.11 Clients will be advised that on discovering a problem or defect they are requested to contact the Agency Service who will ensure that the contractor returns and rectifies the defect(s), subject to confirmation from an Officer of the Council that the defect is the responsibility of the contractor.
- 10.12 Thereafter the period of 12 months from the certified date of completion the Council's responsibility for ensuring the remedy of defects will cease and any subsequent problems that arise will be the responsibility of the client to resolve.

## Loan Assistance

### 11 Financial Assistance Loans

The Council offers three types of loan products: -

- Repayment Loan (Capital and Interest)
- Equity Loan
- Interest free loan

A combination of loans or a combination of loan and grant may be required to suit a Clients individual financial circumstance.

Loan	Eligibility	What can the loan be used for?
<p data-bbox="129 156 734 188"><b>11.1 Capital and Interest Repayment Loan</b></p> <p data-bbox="129 229 1088 520">This is a loan, for Clients who are able to make monthly repayments. The interest rate will be fixed, so that the monthly repayment will always be the same, and the amount of interest that will be charged will be known to the Client at the beginning of the loan. The monthly repayment will consist of an interest payment, and a reduction in the amount of capital owed. This means that with each payment the interest is recalculated, the fairest way of charging interest.</p> <p data-bbox="129 561 1081 632">Clients can borrow between £500 and £15,000, over a term of 1-15 years.</p> <p data-bbox="129 673 1050 890">The repayment period will depend upon the circumstances of the individual, and the amount borrowed. The Council will use the affordability test to make sure that monthly repayments will be affordable – no more than one third of the monthly disposable income, and will provide help and support should the client experience difficulty in meeting repayments.</p> <p data-bbox="129 932 1093 1114">Loans of more than £3,000 will be secured with a legal charge against the home. Loans of less than £3,000 will not be secured with a legal charge against the home, but a local land charge will be used to notify the council should the homeowner initiate sale of the property.</p> <p data-bbox="129 1155 1093 1292">There will be no penalties should the client be able to overpay, or repay the loan early in full. This means that repaying the loan early will reduce the amount of interest paid, and so the total amount paid back.</p>	<p data-bbox="1120 156 1514 411">This loan is available to Clients who own their own homes but who are unable to access a loan from a commercial lender, but who are able to make regular repayments.</p> <p data-bbox="1120 453 1520 1037">The loan will not be available to landlords, unless being used to bring an empty property back into use. Such works may also be eligible should they not be financially viable without assistance from the Council. The value of the improved property, and the cost of the works required will be taken into consideration. The Council may also consider evidence of local need, or the negative affect of the long term empty property.</p> <p data-bbox="1120 1078 1520 1334">Where assistance is provided to bring an empty home back into use it will be made available to maximum of 50% of the cost of the eligible work up to a maximum of £35,000</p>	<ul data-bbox="1554 156 2087 820" style="list-style-type: none"> <li>• To carry out works that will contribute to the Decent Homes Standard.</li> <li>• To assist a Client who is eligible for a DFG to purchase a home that meets their needs, or can be more easily adapted. For more detail on using the loan to move house see Appendix C.</li> <li>• To assist a Client who is not able to make their contribution towards a Government funded Energy Efficiency Scheme or to provide Energy Efficiency measures through other targeted schemes.</li> <li>• To fund works that will enable an empty property to be brought back into use.</li> </ul>

## 11.2 Equity Loan

This product will meet the needs of Clients who do not have sufficient income to make monthly repayments on a loan, but have equity in their property. No monthly repayments are required.

For the purposes of;

- repairing, improving or adapting the home, Clients can access 80% of the available equity in their home
- relocating to a replacement home, Clients can access 50% of the available equity in the replacement home.

Subject to the value of the available equity, Clients can borrow between £500 and £35,000.

In certain circumstances, particularly where Clients are relocating to a replacement home, may have been living in overcrowded conditions, or wish to move into a home which had previously been empty for more than 6months, and was in a poor condition, a larger loan than the maximum of £35,000 may be available at the discretion of the Council, subject to the amount of available equity in the replacement home.

Repayment of the Loan:

The amount of loan will be translated into a percentage of the property value at the time the loan is approved. This percentage will be used to calculate the amount to be repaid, at the time that the property is sold and the loan repaid. This will require the property to be valued at the beginning, and at the end of the loan period.

The following rules apply in relation to calculating the amount to be repaid, but would be subject to review at the time the loan is repaid should they cause the Client to be placed in unreasonable hardship;

This loan is available to Clients who own their own homes and who;

- are unable to access a loan from a commercial lender on reasonable terms,
- are unable to make monthly repayments on a Capital and Interest Repayment Loan and
- have equity in their homes.

The loan will not be available to landlords, unless being used to bring an empty property back into use. Such works may also be eligible should they not be financially viable without assistance from the Council. The value of the improved property, and the cost of the works required will be taken into consideration. The Council may also consider evidence of local need, or the negative affect of the long term empty property.

Where assistance is provided to bring an empty home back into use it will be made available to maximum of 50% of the cost of the

- To carry out works that will contribute to the Decent Homes Standard.
- To assist a Client who is eligible for a DFG to purchase a home that meets their needs, or can be more easily adapted. For more detail on using the loan to move house see Appendix C.
- To fund works that will enable an empty property to be brought back into use.
- To assist a client who is not able to make their contribution towards a Government funded Energy Efficiency Scheme or to provide Energy Efficiency measures through other targeted schemes.

<ul style="list-style-type: none"> <li>• The minimum amount repayable will be the amount borrowed. This may cause difficulty should the property have decreased in value.</li> <li>• There will be no cap on the amount to be repaid. Should the property value increase significantly, so will the amount to be repaid. Any appreciation in value of the property will be shared with the Council in accordance with the original loan as a percentage of the property value at the time that the loan is repaid.</li> </ul> <p>Repayment will be required on sale, disposal of the property, or upon the death of the Client. ( For more information see 'Financial Assistance Conditions')</p> <p>Should the Client wish to repay the loan (or part of the loan) at any time before the property is sold, the amount to be repaid will be calculated using the value of the home at that time. There will be no early redemption charges.</p>	<p>eligible work up to a maximum of £35,000</p>	
<p>11.3 Interest free loan</p> <p>This product will meet the needs of clients who do not have sufficient income to make monthly repayment or have sufficient equity in their property.</p> <p>Repayment will be required on sale, disposal of the property, or upon the death of the Client. ( For more information see 'Financial Assistance Conditions')</p> <p>Should the Client wish to repay the loan (or part of the loan) at any time before the property is sold, the amount to be repaid will be calculated using the value of the home at that time. There will be no early redemption charges.</p> <p>The maximum Loan is £35,000.</p>	<p>This loan is available to Clients who own their own home and who: -</p> <ul style="list-style-type: none"> <li>• Are unable to access a loan from a commercial lender on reasonable terms.</li> <li>• Are unable to make monthly repayments on a Capital and Interest Repayment Loan, and</li> <li>• Have limited or no equity in their home</li> <li>• This loan will not be available to properties affected by Council plans to demolish homes.</li> </ul>	<ul style="list-style-type: none"> <li>• To carry out works that will contribute to the Decent Homes Standard.</li> <li>• To assist a Client who is eligible for a DFG to purchase a home that meets their needs, or can be more easily adapted. For more detail on using the loan to move house see Appendix C.</li> <li>• To fund works that will enable an empty property to be brought back into use.</li> <li>• To assist a client who is not able to make their contribution towards a Government funded Energy Efficiency Scheme or to provide Energy Efficiency measures</li> </ul>

<p>In certain circumstances, particularly where a property is in a poor condition, a larger Loan than the maximum of £35,000 may be available at the discretion of the Council.</p>	<ul style="list-style-type: none"> <li>• This loan will not be available to landlords, unless it is being used to bring an empty home back into use.</li> </ul> <p>Where assistance is provided to bring an empty home back into use it will be made available to maximum of 50% of the cost of the eligible work up to a maximum of £35,000</p>	<p>through other targeted schemes.</p>
<p>11.4 Empty Homes/Conversion Loan (please note this product is not currently available)</p> <p>This loan can be used for works that are required to bring the property up to a Decent Standard. This may include works to remove health and safety hazards in the home, to carry out repairs, or to improve facilities or the thermal comfort of the property. For more guidance on the Decent Homes Standard or works that may be eligible for assistance see Appendix A.</p> <p>This form of assistance may also be available for conversion works for;</p> <ul style="list-style-type: none"> <li>• a pair of flats into a single property</li> <li>• a vacant shop with a flat attached, to a single property</li> <li>• other configurations may be considered where appropriate (but will not include loft conversions or extensions to existing single use properties .</li> </ul> <p>Assistance is available to a maximum of 50% of the cost of the eligible works, to a maximum of £35,000.</p>	<p>This loan is available to:</p> <ul style="list-style-type: none"> <li>• Carry out works to properties that have been empty for more than 6 months, to enable them to be brought back into use.</li> <li>• Both those intending to occupy or let the property to tenants.</li> <li>• Carry out works to meet need for family sized homes which may or may not have been empty.</li> </ul> <p>The loan is available if;</p> <ul style="list-style-type: none"> <li>• the Client is unable to access a loan from a commercial lender on reasonable terms, or</li> <li>• the works would not be</li> </ul>	<ul style="list-style-type: none"> <li>• The loan will be repaid to the Council when the property is sold. (For more information see conditions.)</li> <li>• Where the Client intends to occupy the property as their home, it must remain their principal residence until the loan is repaid;</li> <li>• Where the property is let to a tenant, the landlord must ensure that following the improvement works, he undertakes any works that are required to ensure that the property meets any local 'Accredited Standard' and that he becomes a member of any local Landlord Accreditation Scheme. This standard and membership should be maintained until the loan is repaid. This standard will be agreed with the landlord prior to approval of the loan.</li> </ul>

	<p>financially viable without assistance from the Council. The value of the improved /converted property, and the cost of the works required will be taken into consideration. The Council may also consider evidence of local need, or the negative affect of the long term empty property.</p> <ul style="list-style-type: none"><li>• And the client is unable to access a loan provided by the Council</li></ul>	
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For Examples of how the loans work, see Appendix D.

## Grant Assistance

12. Grant assistance may available for the purposes detailed below. In most circumstances grant assistance will be subject to a test of resources, and will always be subject to the budget that is available.

Grant	Eligibility	Conditions
<p><b>12.1 Disabled Facilities Grant</b></p> <p>This mandatory grant can be used for works that enable a client to live independently in their own home by providing suitable adaptations to meet their specific needs. The needs will be assessed by an Occupational Therapist and works agreed. For more guidance on works that may be eligible for assistance see Appendix B.</p> <p>A maximum of £30,000 is available. Please refer to the Council's specific DFG policy for further details</p>	<p>This grant is available to:</p> <ul style="list-style-type: none"> <li>• All owner-occupiers and tenants (private, Council or Housing Association), licensees or occupiers who are able to satisfy the criteria in sections 19 to 24 of the Housing Grant, Construction and Regeneration Act 1996.</li> <li>• Landlords may apply for a DFG on behalf of a disabled tenant but must satisfy the requirements in the relevant sections of the above Act.</li> <li>• A grant is available when the cost of the works required exceed the value of a contribution that the applicant must make following a means test.</li> <li>• For those disabled people whose conditions are degenerative, further adaptations to the home to cater for their deteriorating condition may become necessary at a later date. In such cases and depending on the time lapse between the successive applications, the amount of an applicant's current contribution may be reduced by the amount paid towards previous grant assistance.</li> </ul>	<ul style="list-style-type: none"> <li>• The Client must undergo a means test, unless the grant is for a disabled child. This will take into account the resources of the disabled occupant, and their partner.</li> <li>• Should the grant have been used to carry out works that increase the size of the living accommodation in the property, and should the property be sold within a period of 5 years following the completion of the work, part of the grant must be repaid to the Council. (For more information see conditions.)</li> <li>• In some cases the cost of the works may be covered either by an insurance payment or a claim against a third party. The Council believes that it is appropriate for the authority to give grant aid to ensure the works are completed at the earliest opportunity. However where the grant applicant subsequently receives a payment from an insurance or damages</li> </ul>

	<ul style="list-style-type: none"> <li>• Properties where planning and conservation restrictions and architectural and structural characteristics allow works to be carried out.</li> <li>• Council or Housing Association tenants where no offer has been made of an alternative property that meets their needs.</li> </ul>	<p>claim in respect of the grant aided works then he should repay the authority the grant, so far as is appropriate, out of the proceeds of any claim.</p> <ul style="list-style-type: none"> <li>• Where the grant has been used to provide specialist equipment such a stair lift, temporary ramps and hoists, the Council shall be given the option to recover the equipment for re-use where appropriate if the applicant no longer has a use for it.</li> </ul>
<p><b>12.2 Disabled Facilities Top-Up/Discretionary Grant (Please note this product is not currently available)</b></p> <p>This grant can be used to;</p> <ul style="list-style-type: none"> <li>• help a disabled person to purchase a home that meets their needs, or can be more easily adapted.</li> </ul> <p>For more detail on using the assistance to move house see Appendix C.</p> <p>The maximum assistance that is available is £15,000.</p> <p>Where the Clients assessed needs require particularly expensive adaptations to be made, a larger grant than the maximum of £15,000 may be made available, at the discretion of the Council.</p> <p>The assessment criteria for works apply as for the Disabled Facilities Grant.</p>	<p>The grant is available if the applicant is unable to access;</p> <ul style="list-style-type: none"> <li>• a loan from a commercial lender on reasonable terms, or</li> <li>• a loan provided by the Council</li> </ul> <p>The Council may, at its discretion make discretionary grant available to Clients who may have been able to secure a loan to facilitate the speedy completion of works which are particularly urgent. This may include works;</p>	<ul style="list-style-type: none"> <li>• The grant will be repaid to the Council when the property is sold. (For more information see conditions.)</li> </ul>

<p><b>12.3 Energy Efficiency Grant (Please note this product is not currently available)</b></p> <p>This grant will offer assistance towards energy efficiency measures such as insulation.</p>	<p>The assistance is available to:</p> <ul style="list-style-type: none"> <li>• Clients participating in Government Energy Efficiency Schemes, but who are unable to make their Client contribution and for whom a loan from the Council is also unsuitable.</li> </ul>	<ul style="list-style-type: none"> <li>• The grant will be repaid to the Council when the property is sold. (For more information see conditions.)</li> </ul>
<p>Subject to funding the Council may also contribute to helping Clients to improve the thermal comfort of their homes through providing financial support to partner organisations such as 'Warm Zones' where these exist or through other targeted initiatives.</p> <p>To find out about current schemes, use the contact details at the rear of this policy.</p>	<ul style="list-style-type: none"> <li>• Specific eligibility criteria and conditions will apply to each initiative.</li> </ul>	

#### 12.4 Relocation Assistance (please note this product is not currently available)

This package of assistance consists of:

- Market value compensation for both owner-occupiers and for landlords
- A Home Loss payment based on 10% of the property value for owner-occupiers with a minimum payment of £4,700 (or the current statutory minimum payment) and a maximum of £47,000 (or the current statutory maximum payment).
- A home Loss payment of £4,700 for all Tenants whose homes are purchased by the Council.
- A Disturbance Payment that should cover all reasonable expenses arising from re-location. Payment is based on proof of purchase provided by the resident.
- A Basic Loss payment of 7.5% of the property value for landlords.
- A discretionary Relocation Grant to enable a person affected by relocation to move to a suitable home. The maximum relocation grant available is £25,000.

The assistance is available to:

- All residents and property owners affected by the Councils plans to demolish homes.
- This discretionary Relocation Grant is available to Clients who own their own home but who are unable to access the Equity Loan to assist them to relocate. A Discretionary Panel will take into account all or a combination of the following factors.
  - The availability of suitable housing.
  - The current market value of the existing property to be demolished.
  - The current market value of the proposed new property, identified by the Client

- The assistance is available at the time that the Council purchases the property.

- Relocation Grant may be unavailable should the Client choose to move outside of a set geographical area. This area will be clearly defined by the Council and the information made available to affected residents.

	<ul style="list-style-type: none"><li>• The existing mortgage terms and conditions.</li><li>• The cost of funding any alterations to the new property.</li><li>• The funding of any shortfall between the new and old property.</li><li>• The equity in the existing property.</li><li>• The mortgage rearrangement costs.</li><li>• Any other exceptional circumstances deemed necessary by the Discretionary Panel.</li></ul>	
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### 12.5 Area/Theme Based Assistance

Financial Assistance may be available for works which will enhance confidence and perception of specific Neighbourhoods within the area.

As the needs of each area are identified, a range of renewal assistance may be available which may include the following:

- Schemes designed to tackle specific issues, such as prevention of crime, or particular housing defects affecting a number of homes
- Block improvement or Facelift schemes
- Returning empty homes back into use

A contribution from the owners towards the works is normally required. The contribution will be specified for each scheme. A financial test of resources may be available to owner occupiers to assess their ability to make a contribution.

The maximum amount of assistance available will be £10,000

Assistance will usually be available;

- Within specific neighbourhoods that require support, in accordance with the Councils plans, produced in conjunction with local people, for comprehensive improvement of the area.
- Both owner occupiers and, within block schemes, landlords who employ good management practices.
- The assistance will be based upon the type of works involved, the tenure of the property and financial resources available to the owner occupier/landlords.

- The grant condition period is 5 years, and will begin upon approval of the financial assistance. If the property is disposed of during this period, then payment of the grant will be required to be paid back in accordance with a sliding scale of repayment. (For more information see conditions).
- Where the property is let to a tenant, the landlord must ensure that the property meets any local 'Accredited Standard' and that he becomes a member of any local Landlord Accreditation Scheme. This standard and membership should be maintained throughout the grant condition period of 5 years. This standard will be agreed with the landlord prior to approval of the grant.

13 Conditions that apply to all forms of Financial Assistance

- Financial Assistance will not be paid for works that have already begun prior to approval.
- The Council will not consider enquiries/applications made on a material only basis.
- Where the word 'sold' appears in relation to a change of ownership of the property and a condition applies, the condition will also apply should the property be disposed of, assigned, transferred or otherwise, including the transfer to family members, or is no longer occupied by the Client as principal residence.

14 Prior to the Works

14.1 The Applicant

- a. The applicant must be the homeowner, i.e. be the person named on the mortgage or deeds of the property at the time the assistance is received and must sign either an;
  - "Owner-occupation Certificate". This document certifies that the applicant intends that he or a member of his family will live in the property as his (or that member's) only or main residence until the assistance is repaid (or until the end of the Grant Condition Period for Area Based Assistance), or a;
  - "Certificate of Intended Letting". This document certifies that the applicant intends that the property will be let or available for letting, for use as a residence (and not for a holiday) to a person who is not a member of the owner's family until the assistance is repaid, (or until the end of the Grant Condition Period for Area Based Assistance).
- b. The applicant must have owned the property for a period of 12 months prior to the date of the application for assistance. This will not apply to applicants for 'Area Based Assistance', Disabled Facilities Grants, or to loans or discretionary Grant Assistance for the purposes of Disabled Facilities.
- c. The applicant must be aged 18 years or over on the date of application;
- d. All joint owners must give their consent in writing to the work being carried out and the placing of a charge against the property. An exemption to this requirement will only be considered in the following cases
  - Where a child under the age of 16 permanently lives with the applicant
  - Where the applicant is over the age of 65,

When considering exemptions account will be taken of the condition of the property, the health of the occupiers, and the cost of the works.

## 14.2 The Property and the Works

- a. The property must be registered with Land Registry prior to approval of the application for assistance.
- b. The works that are eligible for assistance, the Client Contribution, and the contractor that will carry out the works must be agreed with the Council. Should the Council have in place any local 'approved contractor' system, then financial assistance will only be provided in accordance with this system. Should this system be in place, the Client Contribution will be required to be paid to the Council prior to commencement of any works.

## 14.3 The Application

An application must be made on the application form provided for that purpose. An application can be made via the Council's in house Agency Services (see section 10), by the applicant or by an agent appointed by the applicant. The Council will only consider a valid application for assistance. A valid application is one where the following documents are submitted to the Council:

- o A correctly completed application form and any supporting documentation
  - o Either a certificate of owner occupation or a certificate of intended letting or for DFG only a tenant's certificate.
  - o Proof of title where applicable
  - o Authorisation from the owner of the property if a third party is acting agent in the application. This can be in the form of an authorisation letter, power of attorney or similar
  - o Completed form of Technical and Administrative Services Charges
  - o Any relevant reports as requested by the Schedule giving the particulars of the relevant works
  - o At least two competitive estimates from contractors held on the Councils list of 'registered contractors' or contractors who are members of Construction Line or Trustmark quality schemes.
  - o Details of preliminary or ancillary services or charges
  - o A statement signed by the applicant which allows the Council and the Loan Administrator to check the information provided with the application with other organisations, in accordance with the Data Protection Act, so as to assist in the prevention and detection of fraud.
  - o A statement signed by the applicant which states they understand the giving of false information or withholding information may lead to their application being withdrawn and/ or lead to prosecution for fraud.
  - o A certificate signed by the applicant binding them to provide information to the Council when requested about how they are complying with the conditions attached to the provision of financial assistance.
- a. The applicant shall be required to enter into a contract with the Council for the use of its agency services.
  - b. The Council will determine an application for a DFG within 6 months of receipt of a valid application. The applicant will be informed in writing of the approval or refusal of the application.

## 15 Carrying Out and Completing the Works

15.1 The eligible works should be completed within six months (12 months for DFG) from the date of approval of the application. The Council may extend this period if they feel it is necessary, upon written request from the applicant;

- 15.2 Where the work has not commenced or has begun and not been completed within the time allowed in accordance with terms of the approval of the assistance and the Council has incurred costs including any interim payments or additional costs, the Council may recover these from the applicant. Where the applicant fails to fully reimburse the Council, the Council shall place a land charge on the property for any outstanding amount plus any interest accrued from that date;
- 15.3 The works that are eligible for assistance must be completed to the satisfaction of the Council and carried out in accordance with any specification imposed by the Council
- 15.4 The Council should be provided with an acceptable invoice, demand or receipt for payment from the agreed contractor. For this purpose an invoice, demand or receipt is acceptable if it satisfies the Council and is not produced by the applicant or a member of his/her family.
- 15.5 Where the work is deemed as satisfactory the applicant shall sign a 'letter of satisfaction' confirming they are satisfied with the work
- 15.6 Where work is undertaken and applicant is not using the Agency Service the Council will make works in progress visits. However, if an Officer of the Council determines that work is not to an acceptable standard then it will be the responsibility of the applicant to ensure remedial work is undertaken.
- 15.7 Only when work is undertaken to the satisfaction of the Council will it be deemed complete and then subject to receipt of the appropriate paperwork, will payment be made for the works.
- 15.8 Where an applicant refuses to sign the letter of satisfaction and a Senior Officer of the Council is satisfied that work is of a satisfactory standard the Private Sector Housing Manager will make a determination regarding payment of the contractor.
- 15.9 Interim payments may be paid to the contractor at 50% and/or 90% stage of completion subject to the Council being satisfied that the requirements of this section have been met.
- 15.10 Applicants who do not use the Agency Service are responsible for ensuring that all satisfactory invoices, guarantees and certificates are provided to the Council prior to any payment being made.
- 15.11 Payment will be made within 28 days of the Council receiving a suitable invoice and all other relevant and satisfactory paperwork.
- 15.12 The Council must be provided with an acceptable invoice from the agreed contractor. For this purpose an invoice is acceptable if it satisfies the Council and is not produced by the applicant or a member of his/her family.
- 15.13 In situations that arise where an invoice is submitted but a discrepancy has arisen regarding the invoice or the relevant guarantees/certificates have not been provided or in the opinion of the Council the work is not satisfactory or incomplete, then the invoice will be disputed and the contractor and/or the applicant will be notified.
- 15.14 The Council upon satisfactory completion of the specified works attracting financial assistance and the production of all necessary paperwork, guarantees, certificates, etc, will produce a "completion certificate". Conditions applying to the provision of financial assistance by the Council will therefore apply from the date specified in the certificate.
- 15.15 It will be a condition of assistance that the property must be insured and properly maintained. If this condition is not met during the period until the assistance is repaid, (or until the end of the Grant Condition Period for Area Based Assistance) it will be a breach of the conditions of assistance. A copy of the buildings insurance certificate may be requested annually by the Council and the client shall provide such details to the Council within any specified timescale.

## **16 After the works**

- 16.1 The property should be kept properly maintained. If this condition is not met during the period until the assistance is repaid, (or until the end of the Grant Condition Period for Area Based Assistance) - the Council may treat this as a breach of conditions.
- 16.2 It is the responsibility of the applicant to demonstrate that the conditions of the financial assistance are being adhered to. If the Council requests any information in relation to the conditions in writing and the applicant fails to supply the information, then the Council may deem this as a breach of the financial assistance conditions;
- 16.3 The property must not be left empty for any appreciable length of time until the assistance is repaid, (or until the end of the Grant Condition Period for Area Based Assistance). An extended period of vacancy may be construed as a breach of conditions and the Council may recover the financial assistance from the applicant. The applicant should notify the Council in writing of any extended period of vacancy of over 6 weeks in duration;
- 16.4 Should the application have been accompanied by a signed Owner-Occupation Certificate, and the financial assistance approved in accordance with this, the property should remain the principal residence of the Client (or a member of his family in accordance with the terms of the owner occupation certificate) until the financial assistance is repaid (or until the end of the Grant Condition Period for Area Based Assistance). Should the property be subsequently let to a tenant before the assistance is repaid (or until the end of the Grant Condition Period for Area Based Assistance) the Client will be required to carry out any works required to ensure that the property meets at least the minimum 'accreditation standard' as set by any local Landlord Accreditation Scheme. The Client will also be required to become a member of any local Landlord Accreditation Scheme. This property standard and membership of this scheme should be maintained until the assistance is repaid (or until the end of the Grant Condition Period for Area Based Assistance). A tenant is a person who is not a member of the owner's family.

## **17 The Legal Charge and Local Land Charge**

- 17.1 Once an application for financial assistance is approved, the assistance will be registered as a legal charge or a local land charge on the property. This will be carried out before any assistance is paid.
- 17.2 In relation to Disabled Facilities Grants, the charge will apply for a period of up to 5 years from the date at which the Council certifies that the eligible works have been carried out to their satisfaction ("the certified date"). (see separate DFG Policy for details of this and other charges that may be imposed)
- 17.3 In relation to Area Based Assistance, the charge will apply for a period of 5 years from the date of approval of the assistance.
- 17.4 For all other forms of financial assistance the charge will remain on the property until the financial assistance is repaid.
- 17.5 In relation to the Capital and Interest Repayment Loan, should the Client wish to make a relevant disposal of the property before repayment of the loan is complete, this will be a breach of the conditions and the loan amount that is outstanding must be repaid to the Council upon the disposal of the property.
- 17.6 Reducing the priority of the charge or removing the charge will only be undertaken in exceptional circumstances.
- 17.7 A charge is binding on the person who is for the time being an owner of the premises concerned.

17.8 Where a condition is broken, the Council has all the usual remedies in law to secure repayment including enforcement of the charge.

## **18 Repayment of Financial Assistance - Owner occupiers**

It is a condition of all forms of assistance that repayment is received in accordance with the terms of approval of the financial assistance. Specifically that;

- 18.1 In relation to Capital and Interest Repayment Loans, repayments are received in accordance with financial assistance approval.
- 18.2 In relation to Equity Loans, repayment is received when the property is sold, disposed of, assigned, transferred or otherwise, including the transfer to family members, or is no longer occupied by the Client as principal residence. Family members include both immediate and extended family. Should family members or other persons be living in the property at the time of death of the Client, there will be no automatic right of succession. Should repayment of the loan require the property to be sold, in this circumstance the Council can exercise discretion through formal decision making processes if appropriate.
- 18.3 It is a condition of all forms of assistance that, where an owner makes a relevant disposal of the property, other than an exempt disposal, they will be required to repay the financial assistance to the Council. (For details of both relevant and exempt disposal, see explanatory notes below)
- 18.4 It is a condition of the 'Area Based Assistance' that, where an owner makes a relevant disposal of the property, other than an exempt disposal, within a period of 5 years from the date on which the Council approves the financial assistance they will be required to repay the financial assistance to the Council, on demand, and in accordance with the following sliding scale: -

Year 1	100% repaid
Year 2	80% repaid
Year 3	60% repaid
Year 4	40% repaid
Year 5	20% repaid

- 18.5 It is a condition of the 'Disabled Facilities Grant' that, where an owner makes a relevant disposal of the property, other than an exempt disposal, and where a legal charge has been applied, that within a period of up to 5 years from the date on which the Council certifies that the eligible works have been carried out to their satisfaction ("the certified date") he will be required to repay the financial assistance to the Council, on demand. This is subject to certain restrictions imposed by the Housing Grants Construction and Regeneration Act 1996: Disabled Facilities Grant (Conditions relating to approval or payment of Grant) General Consent 2008. The Council may demand the repayment of such part of the grant which exceeds £5,000, but may not demand in excess of £10,000. See separate DFG Policy for further details

18.6 Where any condition is breached, the Council may decide not to make any demand for whole or part repayment. Each case will be considered on its merits. A decision will primarily be based on the financial hardship that will be experienced by the Client as a result of repayment of the assistance. Should financial hardship be experienced in conjunction with any of the following, the Council may decide not to make demand for whole or part repayment;

- Provision of care - where the Council is satisfied that the owner is elderly or infirm and is disposing of the property with the intention of being cared for by relatives or going to live in sheltered housing or a residential care home, or where the owner is moving to care for an elderly or infirm family member.
- Repossession - where a mortgagee exercises a power of sale.
- Employment - where an applicant is making a disposal further to the need to move following acceptance of employment where they would otherwise become unemployed.
- Health and Well-being – where the disposal is connected with the physical or mental health or well being of a relevant person.
- Disposal to the local authority or Registered Social Landlord
- Sale to a disabled person on the Councils Disabled Facilities Grant waiting list – where the Council would otherwise have assisted the buyer to adapt their current home.

## **19 In More Detail - Repayments of Financial Assistance – Landlords**

It is a condition of all forms of assistance that repayment is received in accordance with the terms of approval of the financial assistance. Specifically that;

- 19.1 In relation to Capital and Interest Repayment Loans, repayments are received in accordance with financial assistance approval.
- 19.2 In relation to Equity Loans and interest free loans repayment is received when the property is sold, disposed of, assigned, transferred or otherwise, including the transfer to family members.
- 19.3 It is a condition of the 'Area Based Assistance' that, where an owner makes a relevant disposal of the property, other than an exempt disposal, within a period of 5 years from the date on which the Council approves the financial assistance he will be required to repay the financial assistance to the Council, on demand, and in accordance with the following sliding scale: -

Year 1	100% repaid
Year 2	80% repaid
Year 3	60% repaid
Year 4	40% repaid
Year 5	20% repaid

- 19.4 It is a condition of all types of assistance that;
- the property will be let as a residence, and not for a holiday, on a tenancy which is not a long tenancy (except in the case of a disabled facilities grant), by the owner for the time being of the property, to a person who is not connected with him (generally speaking, this means not a member of his family), or
  - the property will be occupied by a member of the Agricultural population under a service contract, and otherwise than as a tenant.
- 19.5 It is also a condition of all types of assistance that the Council may by written notice require the owner to provide within 21 days a statement showing how the property is occupied.
- 19.6 It will be a condition of all types of assistance that the property must be insured and properly maintained. If this condition is not met during the period until the assistance is repaid, (or until the end of the Grant Condition Period for Area Based Assistance) it will be a breach of the conditions of assistance; a copy of the buildings insurance certificate may be requested annually by the council.
- 19.7 It is a condition that where financial assistance is provided to a landlord to return an empty home back into use the landlord must:
- a) Become and remain a member of Stockton Borough Council's Landlord Accreditation Scheme and abide by the terms of reference of the scheme.
  - b) Become and remain a member of Stockton Borough Council's Tenant Referencing Scheme and referenced to all proposed tenants through the scheme before offering a tenancy agreement.
  - c) When requested to do so provide to the Council nomination rights in order for the Council to fulfil its statutory obligations in respect of the homeless.
- Failure to comply with (a) to (c) above will be construed as a breach of conditions
- 19.8 In the event of a breach of conditions, the Council may demand the repayment of the assistance with interest. The Council has the discretion either not to demand repayment, or to require payment of less than the full amount.
- 19.9 At the time that the property is sold, or in the event of the breach of conditions, the Council may decide not to make any demand for whole or part repayment. A decision will primarily be based on the financial hardship that will experienced by the Client as a result of repayment of the assistance. In addition, the Council may consider the following;
- a) Disposal to the Local Authority or a Registered Social Landlord
  - b) Inability to let the premises – where the landlord has not been able to let the dwelling or one or more of the flats contained in the building.

General Notes:

- i. If the property is occupied by a person who is a protected occupier under the Rent (Agriculture) Act 1976 or is occupied under an assured agricultural occupancy, within the meaning of Part 1 of the Housing Act 1988, the condition will not be breached.
- ii. In a case where personal representatives or trustees are the owner, the letting must not be to a person who has a beneficial interest under the will, intestacy or trust, in the property or the proceeds of its sale.
- iii. A "RELEVANT Disposal" is where the whole or part of a property undergoes either a conveyance of the freehold or an assignment of the long lease or the grant of a long lease, which does not qualify as an exempt disposal.

iv. An "EXEMPT disposal" means a disposal that is:

- a. Of the whole of the property to the owner or one of the joint owners of the dwelling
- b. Of the whole of the property by Court order in the course of a domestic breakdown;
- c. Compulsorily, or by agreement, to a public body with compulsory purchase powers;
- d. Of land which is "included land" under Section 184 of the Housing Act 1985;

An owner's interest is:

- an estate in fee simple absolute in possession, or
- "a term of years absolute of which not less than five years remain unexpired at the date of application". This included a long lease of seven years or over granted under deed where the leaseholder has a repairing obligation. There must be at least 5 years remaining on the lease. Whether held by the applicant alone or jointly with others.

A person is a member of another's family if that person is:

- the other's wife or husband or that person lives with the other as wife, husband or civil partner
- a son or daughter or son-in-law or daughter-in-law of the other, or of the other's wife or husband ("son" or "daughter" includes any step son or step daughter and any illegitimate son or daughter, and "son-in-law" and "daughter-in-law" are to be construed accordingly) or, a parent, grandparent, grand child, brother, sister, aunt, uncle, nephew, niece of the other, or of the other's wife or husband, whether the relationship is by blood or marriage.

## Equal Opportunities Statement

20. The Council fully endorse the removal of all barriers to its services arising from ethnicity, religion, geographic location, special needs, language differences, learning difficulties, sexual orientation, gender, age or disability. This list is not intended to be exhaustive, but is intended to show some of the areas where it is believed discrimination could occur.
- 20.1 In order to ensure that this policy provides equal access to all, a comprehensive impact assessment has been undertaken to consider the effect of the policy on all the residents of the area.
- 20.2 The assessment showed overall that implementation of the revised policy would generally enhance the beneficial effect on the health, safety and welfare of residents by raising housing standards and community vitality.
- 20.3 This document can be produced in other formats, such as in Braille; large print; on audiotape; CD-ROM or in other languages. Contact the Private Sector Housing Division as detailed in section 22.

## Confidentiality and Data Protection Statement

21. When providing assistance the Council will require information relating to the personal and financial circumstances of the client.
- 21.1 This personal information will be handled in a manner, which meets the requirements of the Data Protection Act (1998). The Council will take all reasonable steps to ensure that personal data is kept secure against unauthorised access, loss, disclosure or destruction.
- 21.2 Sometimes it may be in the interest of the client to have personal information passed to one of the Council's partners, so that the client can receive further help. The Council will always request a client's permission prior to sharing information with partners.
- 21.3 In certain circumstances the information provided may be used to prevent and detect fraud, as a result of the Council's obligation to protect the public funds it handles.
- 21.4 The Freedom of Information Act enables anyone to request information from a public authority. When a request is made the Council has a duty to respond to the request within 20 days as well as providing advice and assistance to people who have requested information.

## Contact Details

- 22 If you would like more information, or would like to discuss any part of this Policy contact the Team Leader – Housing Improvements Team who will be happy to help.
- 22.1 If you would like to make an enquiry for assistance contact the Housing Improvements Team, Private Sector Housing Division:
- By post or in person at Private Sector Housing Division, Stockton-on-Tees Borough Council, 16 Church Road, Stockton-on-Tees, TS18 1TX
  - By telephone on 01642 527797
  - By email to [privatesectorhousing@stockton.gov.uk](mailto:privatesectorhousing@stockton.gov.uk)
  - By fax on 01642 526541

22.2 Alternatively go to our website at [www.stockton.gov.uk/psh](http://www.stockton.gov.uk/psh) where you will find advice and guidance on home repairs and maintenance, and the help that is available.

## Complaints, Compliments and Appeals

23 The Council operates a Corporate Complaints procedure. If you are not satisfied with the service that you have received please contact the Private Sector Housing Manager. Your comments help the Council to improve the service provided:

- By post or in person at Private Sector Housing Division, Stockton-on-Tees Borough Council, 16 Church Road, Stockton-on-Tees, TS18 1TX
- By telephone on 01642 527797
- By email to [privatesectorhousing@stockton.gov.uk](mailto:privatesectorhousing@stockton.gov.uk)
- By fax on 01642 526541

23.1 Equally if our Clients are satisfied with the service they receive we would also like to hear about it

23.2 Should a Client wish to appeal about any decision taken in relation to their enquiry for financial assistance, such as disputes relating to eligible works, or levels of assistance, appeals will first of all be dealt with by the Private Sector Housing Manager. Clients will be informed of the outcome of their appeal in writing. Should the issue not be resolved, the appeal will be referred to the Head of Housing. The decision of the Head of Housing will be final in this respect.

A Decent Home must;

- a) Meet the current statutory minimum standard for housing – The Housing Health and Safety Rating System (HHSRS), states that all dwellings should be free from category 1 hazards. (Those hazards which are most likely to occur and to cause serious harm)
- b) Be in a reasonable state of repair – If one or more of the key building components are old and/or need major repairs or need replacing then the property would not meet the standard. Key building components could include; external walls; roof structure and covering; windows and doors; chimneys; central heating boilers; gas fires; storage heaters; plumbing and electrics. This list is not exhaustive.
- c) Have reasonably modern facilities and services – A dwelling is considered not to meet the decent standard if it lacks three or more of the following facilities: -
  - A kitchen which is 20 years old or less;
  - A kitchen with adequate space and layout;
  - A bathroom which is 30 years old or less;
  - An appropriately located bathroom and WC;
  - Adequate external noise insulation; and
  - Adequate size and layout of common entrance areas for blocks of flats
- d) Provide a reasonable degree of thermal comfort – The standard requires all dwellings to have both efficient heating and effective insulation. Efficient heating is defined as any gas or oil programmable central heating; or
  - Electric storage heaters; or
  - Warm air systems; or
  - Underfloor systems; or
  - Programmable LPG/solid fuel central heating; or
  - Similarly efficient heating systems which are developed in the future

It may sometimes be appropriate to provide financial assistance towards works, to a lower or higher standard than the Decent Homes Standard.

For example;

A lower standard; To assist Clients to make their contribution towards a Government Energy Efficiency Scheme. Providing assistance towards works contributing to thermal comfort alone may be important to help a Client to take advantage of such a scheme, where an application for more complex works would slow the process and put their participation in such a scheme at risk. Similarly, an elderly Client may prefer only to have serious hazards remedied, to avoid prolonged inconvenience in the home.

A higher standard; Where work is being carried out to replace rotted windows, financial assistance may be provided to replace all windows in an elevation rather than only those that are in poor condition.

## Appendix B - Guidance – Disabled Facilities Grant Eligible Works

The purposes for which mandatory DFGs may be given are set out below.

- facilitating access to and from the dwelling or the building in which the dwelling or flat, as the case may be, is situated, e.g. by widening doors or installing ramps;
- facilitating access to a room used or usable as the principal family room;
- facilitating access to a room used or usable for sleeping, or alternatively providing such a room for the disabled occupant;
- facilitating access to a room in which there is a lavatory, a bath or shower (or both) and a wash basin or providing a room in which there is such a facility or facilities;
- facilitating access to the garden
- facilities for the preparation and cooking of food.
- adaptations to the dwelling or building to make it safe for the disabled person and other persons residing with him. This may include improvements to access and movement around the home to enable the disabled person to care for another person who lives in the property, such as a spouse, child or another person for whom the disabled person cares.
- improvement of an existing heating system in the dwelling to meet the disabled occupant's needs. Where there is no heating system or where the existing heating arrangements are unsuitable to meet their needs, a heating system may be provided. The installation of central heating to the dwelling will only be considered where the well-being and mobility of the disabled person would otherwise be adversely affected.
- to enable a disabled person to have full use of heating, lighting and power controls in the dwelling. Such work includes the relocation of power points to make them more accessible, the provision of suitably adapted controls where a disabled person has difficulty in using normal types of controls and the installation of additional controls.

### Common parts

The purposes for which grant is available for works to the common parts of buildings such as blocks of flats are, limited to works to facilitate access to the dwelling through the common parts, or facilitating the use by the disabled person of a source of power, lighting or heating in the common parts.

Determination of whether works are necessary, appropriate reasonable and practicable

The Council will satisfy itself that the works are necessary, appropriate reasonable and it is practicable to carry out the relevant works having regard to the age and condition of the dwelling or building. The Council will have regard in determining this to the guidance and good practice issued from time to time by the Government.

Guidance – Works which may be eligible for a discretionary/top-up Disabled facilities Grant

The following works are those which may not necessarily be eligible for mandatory Disabled Facilities Grant, but which enable a disabled person to live independently at home. Discretionary assistance may be available for these.

- The provision of a safe play area for a disabled child.
- Works or arrangements to allow a disabled child who has parents who are separated to live for part of the time with each parent should this be appropriate.
- To provide a complete solution to the needs of the disabled person.

## Appendix C - Guidance – Loan Assistance for Moving to a more suitable Home

The Council may consider providing assistance to enable a disabled person to move to a more suitable home where it is more cost effective than adapting the current home to make it suitable for the person's current or future needs, even if the new home requires some adaptations.

However, when assessing the availability of loan beyond the maximum mandatory DFG limit of £30,000, the Council must ensure that the maximum amount of money spent on any one Client remains reasonable, and that funding available is used to help as many disabled people as possible.

In order to calculate the amount of loan that is available beyond the mandatory DFG limit of £30,000 the Council will consider the following factors;

- The eligibility of the applicant
- the nature of the works i.e. relocation will only be available where mandatory works are required to the existing home.
- Whether the current property is not reasonably suitable for adaptation, or the cost of the works exceeds the maximum assistance for mandatory Disabled Facilities Grant
- Whether the disabled person expresses a preference to move to a more suitable property.
- The existing support networks assisting the applicant.
- The availability of suitable housing.
- Consideration of social housing as an alternative.
- The cost of alternative care arrangements, home support residential care, etc.
- Entitlement to benefits and advice from the Benefits Agency
- The current market value of the existing property
- The current market value of the proposed purchase property
- The existing mortgage and terms and conditions
- The cost of funding and practicality of carrying out any alterations to the new property
- The funding of any shortfall between the new and old property
- The equity in the existing property
- The mortgage rearrangement costs

- The amount of financial assistance the Council may need to provide
- How the mortgage and interest payments will be financed

## Appendix D – How the Loan Works

### Capital and Interest Repayment Loan

Interest will be charged at a rate that is 2% above Bank of England Base Rate at the time that the loan is approved. The interest rate will be fixed for the life of the loan, so that the monthly repayment will always be the same, and the amount of interest that will be charged will be known to the Client at the beginning of the loan.

The following example shows repayments based on an interest rate of 5%;

Amount Borrowed	Term	Monthly Repayment	Total Cost
£1000	2 years	£43.87	£1,052.91
£5,000	5 years	£94.36	£5,661.37
£10,000	10 years	£106.07	£12,727.86

### The Equity Loan

Using the Equity Loan to improve or adapt the home:

Using the Equity Loan to move home:

Value of the home	£ 90,000	Value of existing home	£60,000
Value of outstanding mortgage and any other secured loans	£ 50,000	Cost of replacement home	£80,000
Available Equity	£ 40,000	This is paid for with:	
Maximum Equity Loan available (80% of Available Equity)	£ 32,000	<ul style="list-style-type: none"> <li>Value of existing home</li> <li>Equity Loan</li> </ul>	£60,000 £20,000
Loan required	13%	The loan is equal to a quarter of the value of the new home	25%
Loan as a percentage of the property value	£ 100,000	House value on sale	£90,000
House Value on sale (when the loan must be repaid)	£ 13,000	Repayment 25% of £90,000	£22,500
Loan amount repaid (13% of the property value at the time of loan repayment)			

## **FEEDBACK**

**If you would like to comment on our  
Policy, please write to or e-mail the  
address shown below**

**Private Sector Housing Division  
Stockton-on-Tees Borough Council  
16 Church Road  
Stockton-on-Tees  
TS18 1TX  
Tel: 01642 527797  
Fax: 01642 526541**

**Email: [privatesectorhousing@stockton.gov.uk](mailto:privatesectorhousing@stockton.gov.uk)**