

## **Annex 1 amendment to Private Sector Renewal Policy York Home Appreciation Loan**

### Purpose of the loan

A home appreciation loan (HAL) is an equity release loan to assist vulnerable home owners in bringing their homes up to health and safety standards and decency standards or to assist with adapting the property.

### Who is eligible for a loan?

To qualify for assistance an applicant must normally:-

- a) be aged 18 or over
- b) be a home owner and
- c) be either 60 or over, disabled, or have a child under 16 living with them or 26 weeks pregnant and
- d) unable to access commercial loans

### What work will the loan cover?

The HAL can only be used to cover works that have been specified and agreed on the schedule of works provided by the local authority. The types of which work which will be considered:

- To meet the health and safety and decency standards – examples are rewiring, roof repairs and window replacements
- Energy efficiency works such as central heating boilers, replacement radiators
- Works to meet the decency standards such as replacing the kitchen or bathroom including tiling to these rooms if required. The amount will not normally be restricted for kitchen bathroom however only reasonable costs of these items will be considered to include a reasonable quality of fixture and fittings, the local authority to determine the reasonable amount. Kitchen appliances such as cookers, washers fridge freezers etc are not covered by the loan scheme.
- To cover any shortfall of any financial assistance from the local authority to carry out works to the property to achieve health and safety or decency standards.
- To cover the costs of any shortfall on mandatory facilities grants that have been agreed by local authorities
- Any disabled adaptations that a client may have to pay for themselves.
- To assist with relocation assistance if a client needs to be relocated due to their disability
- Consideration will also be given to home owners that wish to use the HAL for overcrowding purposes e.g. loft conversions if it will be provide necessary space for a family. There is a limit to the amount of HAL which will be considered for this purpose and it must be agreed by the Local authority and the Yorkshire Region equity release and loan officers

How much of a loan will be given?

The minimum loan that will be available is £2000 and the maximum loan is normally £30,000.

The loan must not normally exceed 50% of the unimproved value of the property and

The total borrowing ( including any out standing mortgages or secured loan) must not exceed 70% of the unimproved value of the property.

Loan referral outside of these limits maybe considered in exceptional circumstances

Other Conditions

- The loan would be provided by Sheffield City Council on behalf of York City Council via the Yorkshire and the Humber Regional Loans Service (YHRLS). The loan will be subject to the conditions and operating practices and policies of YHRLS.
- Preliminary fees essential to arranging a loan to carry out work or fees charged by a Home Improvement Agency may be eligible for a York Repair Grant