

## PROPOSED

### City of York Council Assistance Policy For the Private Housing Sector



Housing Grants, Construction & Regeneration Act 1996  
The Regulatory Reform (Housing Assistance)  
(England & Wales) Order 2002

<b>Effective from</b>	<b>18<sup>th</sup> March 2014</b>
<b>To be reviewed at the latest by</b>	<b>31<sup>st</sup> March 2017</b>

#### **Introduction**

The Council's view is that it is primarily the responsibility of homeowners to maintain their own property but accepts some homeowners, particularly the elderly and most vulnerable, do not have the necessary resources to keep their homes in safe and good repair. This policy reflects this safety net approach and will develop future policies to provide advice and information to help homeowners arrange their own financial packages to maintain their homes.

In particular it focuses on:

- Providing a range of adaptations to meet individual residents needs to enable them to live safely and independently at home
- Maximising the housing stock to enable long term empty homes is brought back in to use
- Improving the energy efficiency of properties and ensuring the maximum use of the private sector housing stock.

The following types of grants, loans & assistance are available subject to the eligibility criteria and conditions. The Housing Standards and Adaptations Manager will consider exceptional circumstances outside the scope of the policy.

#### **Help for residents requiring adaptations**

There are four types of assistance which the council can offer:

- 1) The Disabled Facilities Grant – a mandatory grant to help residents live safely and independently.
- 2) The Discretionary Adaptation Loan to help with the cost of work when it exceeds the maximum disabled facilities grant.
- 3) The Discretionary Adaptations Grant to enable relocation when it is more cost effective.

- 4) Minor adaptations – to enable the installation of simple adaptations which cost less than £1000.00.

## **Disabled Facilities Grant**

### Purpose of the grant

The grant is to help people who have a disability adapt their home to make it easier for them to continue to live there or maintain their independence. The government sets out what the grant can be used for and a maximum amount that can be paid – this is called the mandatory grant. City of York council will in addition pay a discretionary amount for the reasons set out below.

### Who is eligible for a grant?

The disabled person must be registered as disabled with the Council or meet the criteria for registration if they applied.

The applicant must be either an owner or private tenant. Owners or tenants of houseboats & park homes are included.

### What work will the grant cover?

A recommendation is required from an occupational therapist employed by the Council that the work is necessary & appropriate. The work needs to meet one or more of the following mandatory purposes. :-

- Facilitating access to and from the dwelling or building by the disabled occupant
- Making the dwelling or building safe for the disabled occupant
- Access to the principal family room by the disabled occupant
- Access to or providing a bedroom for the disabled occupant
- Access to or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the occupant of such a facility
- Access to or providing a room containing a WC for the disabled occupant or facilitating the use by the occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control
- Facilitating access & movement around the dwelling to enable the disabled person to provide care for someone.
- Access to gardens – see annex 1

An application is normally approved if it is considered reasonable & practicable to carry out the relevant works having regard to the age & condition of the dwelling, building, houseboat or park home.

### How much grant will be given?

Normally the disabled person and any partner are means tested to determine the amount of their contribution towards the cost of the work.

Where the grant is for eligible work for a disabled or the disabled person is on one of the qualifying benefits then the applicant will be pass ported through the means testing

The maximum mandatory grant is £30000

### Other Conditions

Repayment of grant:

Property Charges will apply to all grant works that exceed £5000 (excluding any agency or professional fees)

The following exceptions will apply:

- External and internal lifts and through floor lifts.
- Permanent ramps within the existing footprint of the property
- Where a low level wheelchair accessible kitchen has been installed.
- Where adapted bathing or toileting facilities have been provided within the existing footprint of the property.

Where multiple works have been carried out on one application and the works exceed £5,000 excluding any of the above named items then a charge shall be made.

The charges will last for **ten years** from the certified date of the grant.

### **Multi application for DFGs**

Where a client has several Disabled Facilities Grants successively, each, if over £5000, will have its own land charge applied to it.

It is a condition of grant that if an owner (also being the recipient of the grant) to which the application relates, disposes of the property (whether by sale, assignment, transfer or otherwise) then they shall repay to the Council on demand the amount of grant, over and above £5,000, that has been paid, subject to a maximum repayment of £10,000.

In addition, the normal conditions prescribed under the Housing Grants, Construction & Regeneration Act 1996 that relate to Disabled Facilities Grants will remain.

In the event of a breach of a condition, the owner for the time being of the dwelling shall on demand repay to the Council the amount of the grant.

### **Discretionary Adaptation Loan**

#### Who is eligible for a loan?

A disabled person who is has been awarded a mandatory Disabled Facility Grant but there is shortfall between the cost of the eligible work and the mandatory maximum grant of £30,000.00

### How much loan will be given?

Normally the maximum amount of loan is £10,000.00. Unless the applicant is able to demonstrate that they can not access a commercial loan or a Home Appreciation Loan.

### Other Conditions

Repayment of loan-It is a condition of loan that if an owner (also being the recipient of the grant) to which the application relates, disposes of the property (whether by sale, assignment, transfer or otherwise) then they shall repay to the Council on demand the amount of loan that has been paid. In exceptional circumstances where the client has successive loans each, will have its own land charge applied to it.

### **Discretionary Adaptations Grant**

Discretionary help may also be available for the following purposes: -

- For assisted purchase of a more appropriate property subject to the cost effectiveness of the scheme and means test of the applicant.
- For relocation expenses up to maximum of £5,000 if a more suitable property is available.
- To provide a range of adaptations up to a maximum of £15,000 which have been identified as being reasonable and practicable for young people who are supported by the FIRST programme

There is a limited budget each year for this assistance and each case will be considered on an individual basis.

Repayment of grant:

Property Charges will apply to all grant works that exceed £5000 (excluding any agency or professional fees or relocation expenses)

The following exceptions will apply:

- External and internal lifts and through floor lifts.
- Permanent ramps within the existing footprint of the property
- Where a low level wheelchair accessible kitchen has been installed.
- Where adapted bathing or toileting facilities have been provided within the existing footprint of the property.

Where multiple works have been carried out on one application and the works exceed £5,000 excluding any of the above named items then a charge shall be made.

The charges will last for **ten years** from the certified date of the grant

## **Minor Adaptations**

### Who is eligible for help?

The disabled person must be registered as disabled with Council or meet the criteria for registration if they applied.

The applicant must be either an owner or private tenant.

### What work is covered?

Minor adaptations are simple adaptations that cost less than £1000.00 and the council arranges for their installation following an assessment and recommendation that it meets the disabled persons needs by an Occupational Therapist employed by the Council or the or the Acute Trusts.

### **Types of work typically fitted include:**

- Grab rails
- Hand rails
- Bannister rails
- Door entry systems
- Alterations to steps
- Widening of a door or path

Where there are multiple adaptations which exceed the £1000.00 these items will be considered as part of Disabled Facilities Grant not individually.

### Other Conditions

The residents will be advised that following the installation of the adaptation that they will be responsible for the maintenance and repair of any minor adaptation.

## **Help for homeowners to maintain their homes**

There are two types of assistance which the council can offer :

- The Home Safety Loan
- The Home Appreciation Loan

### **Home Safety Loan**

#### Purpose of the loan

The Home Safety loan is paid for items of disrepair and urgent works affecting the occupants' health or safety.

#### Who is eligible for a loan?

To qualify for assistance an applicant must normally: -

- a) Be aged 18 or over
- b) Be an owner of the home

c) Have a power or duty to carry out the works  
d) Be either 70 or over, disabled, or have a child under 5 (disabled child 16 or under) living with them **and** be in receipt of one of the qualifying benefits:

- Income Support
- Guaranteed Pension Credit
- Income Based Job Seekers Allowance
- Local Council Tax Support
- Working Tax Credit
- Child Tax Credit (if your household income is less than £15,460 per yr)\*

\* Or where the applicant earns more than the £15460 but less than 20K and is able to demonstrate that they can not access a commercial loan.

e) Have lived in the property for 12 months prior to making the application.

#### What work will the loan cover?

The purpose for which a Home Safety Loan may be approved is to help the applicant to remove a Category 1 hazard, arising from defects in the dwelling.

The Council may only approve a Home Safety Loan where it is satisfied that no other more specific or appropriate assistance is reasonably available. The types of work which normally can be loan aided include:

- Roof repairs
- Repair/replacement of doors & windows
- Defective electrical wiring
- Defective plumbing including lead pipe work
- Repair/replacement of gutters, down pipes etc
- Defective stairs/floors
- Remedying dampness
- Repairs to drains
- Repairs to dangerous boundary walls
- Structural faults (if not covered through insurance)
- Preliminary fees essential to arranging a loan to carry out repairs or fees charged by a Regional loans Service
- Security measures – where the work is recommended by the Safer York Partnership

The Council will provide a schedule of work which will be eligible for the loan

Where the Council is considering an application for a Home Safety Loan and has identified a Category 1 Hazard and is satisfied that the most satisfactory course of action is to undertake works, these works will need to be carried out before any other works to remove a Category 2 Hazard or to meet the decent homes standard.

#### How much loan will be given?

The maximum interest free loan will normally be £2000.00 and is restricted to one application within ten years. Any grant or loans paid under previous policies from the 1<sup>st</sup> April 2003 will be taken into account when determining eligibility to reapply.

Where the work exceeds more than £2000.00 then the applicant will be offered the Home appreciation loan.

There is a limited budget each year for this assistance and enquiries will be dealt with in date order in a waiting list system.

Other Conditions

Repayment of loan-It is a condition of loan that if an owner (also being the recipient of the grant) to which the application relates, disposes of the property (whether by sale, assignment, transfer or otherwise) then they shall repay to the Council on demand the amount of loan that has been paid. In exceptional circumstances where the client has successive loans each, will have its own land charge applied to it.

**Home Appreciation Loan**

Purpose of the loan

A Home Appreciation Loan (HAL) is an equity release loan to assist vulnerable homeowners 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 be on one of the following qualifying benefit

THIS IS A LIST OF QUALIFYING BENEFITS	
For people over 60, or at least 26 weeks pregnant, or with children under 16:- and at least one of the following: -	For anybody else
<ul style="list-style-type: none"> <li>• Auto qualify - Income Support</li> <li>• <b>Auto qualify - Guaranteed Pension Credit</b></li> <li>• Auto qualify - Income Based Job Seekers Allowance (<b>over 60s only</b>)</li> <li>• <b>Local Council Tax Support</b></li> <li>• Attendance Allowance</li> <li>• Disability Living Allowance</li> <li>• Working Tax Credit (if including a disability element and household income is less than £15,460 per</li> </ul>	<ul style="list-style-type: none"> <li>• Auto qualify - Income Support</li> <li>• Local Council Tax Support</li> <li>• Housing Benefit (including disability element)</li> <li>• Attendance Allowance</li> <li>• Disability Living Allowance</li> <li>• Working Tax Credit (if including a disability element and household income is less than £15,050 per year)</li> <li>• Child Tax Credit (if your household</li> </ul>

year) <ul style="list-style-type: none"> <li>• Child Tax Credit (if your household income is less than £15,460 per yr)</li> <li>• Industrial Injuries Disablement Benefit (including Constant Attendance Allowance)</li> <li>• War Disability Pension (including Mobility Support)</li> </ul>	income is less than £15,050 per yr) <ul style="list-style-type: none"> <li>• Industrial Injuries Disablement Benefit (including Constant Attendance Allowance)</li> <li>• War Disability Pension (including Mobility Support)</li> </ul>
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**And** 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 restrict 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 the costs of any shortfall on mandatory disabled facilities grants that have been agreed by local authorities including any client’s contribution which is more than £2000.00.
- Any disabled adaptations that a client may have to pay for themselves.
- 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 buy 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

There will be limited budget each year for this assistance and enquires will be dealt with in date order in a waiting list system.

### Other Conditions

The loan would be provided by Sheffield City Council on behalf of York City Council via the Homes and Loans Service. The loan will be subject to the conditions and operating practices and policies of Homes and Loans Service.

## **Help for empty property owners**

Help for owners of empty properties to carry out work to maximise the use of the existing housing stock to ensure that there are no health and safety hazards and that such homes meet the decent homes standard.

There are two forms of help available to the owners:

- an empty properties loans (option A) and
- an empty properties loans (option B)

## **Empty Property Loan**

### Purpose of Loans

Two discretionary Empty Property Loans are available, developed by the City of York Council in partnership with the Homes and Loans Service to support the wider Empty Homes Strategy, to provide financial assistance for the renovation of long-term empty properties.

The amount of funding is dependant on a range of conditions including purchase price; equity and refurbishment costs and whether they are.

There will be two types of loan available to owners:

### **1) Equity Release Loan**

The equity release product is based on the principles of the existing Home Appreciation Loan (HAL). There are no monthly repayments to make and the loan amount is calculated as a percentage of the anticipated value of the property at the time the loan is taken out. This percentage will be applied to the value/sale price when the loan becomes repayable, in order to calculate the amount required to repay the loan.

### **2) Interest Free Repayment Loan**

The interest free loan will be repaid at the end of the fixed term. The normal maximum loan amount will be £15,000 per property (or unit of accommodation for self-contained flats), with discretion to vary this sum up to a maximum of £30,000 in response to circumstances that arise.

Officers will assess each case on its own individual merits and will take into account such matters as:

- The level of acquisition and refurbishment costs
- The proposed final use of the property and its location

The extent to which the proposal as a whole ties in with our housing strategy or other corporate strategies

Who would be eligible for a loan?

To qualify for assistance the applicant must be

- the freeholder of the empty property.
- or a recognised partner in the delivery of the Council’s Supported Housing Strategy with a leasehold agreement for the minimum length of period of the loan

The applicant must

- Enter in to a written formal agreement for a minimum of five years with the Homeless Prevention Service through the established socially responsible letting agents, YorHome.
- or provide supported housing at the premises for the period of the loan;
- or provide fixed term assured short hold tenancies for a minimum of 1 year period to tenants with a local connection through out the period of the loan and the rent should be no more than the median value<sup>1</sup> rent for the type of property, based on the number of bedrooms, for the city.

What the Loan will be for

The loan is for the work that will make the empty dwelling meet the decency standard as determined by the Council.

The main features of the proposed loans

Loan feature/lending criteria	York ‘YorHome’	York Interest Free Repayment Loan
Min and maximum Loan	£2k - £30k	Normal £ 2-15k
Maximum Loan to value of EPL	50%	50%
Maximum total secured borrowing Loan to value	70%	70%
Loan set up fees	York pay initial valuation	York pay initial valuation

<sup>1</sup> Determined by the Valuation Office

	fee, rest of fees payable by the client. Fees can be paid upfront or added to the loan.	fee, rest of fees payable by the client. Fees can be paid upfront or added to the loan.
Part redemptions allowed?	No	Yes
Maximum term of the Loan.	No maximum term, repayable on transfer of ownership.	Between 3 – 5 years depending on the amount borrowed.
Amount of Loan repayable if the property has fallen in value on redemption.	The client would be asked to repay the original amount borrowed.	The client would be asked to repay the amount outstanding
The No-Negative Equity Guarantee	The No- Negative Equity guaranteed applies which means that on redemption clients are not asked to repay more on the loan than is available in the property.	The No- Negative Equity guaranteed applies which means that on redemption clients are not asked to repay more on the loan than is available in the property.
When is loan repayable?	<p>The loan becomes repayable if:-</p> <ul style="list-style-type: none"> <li>○ On transfer of ownership or death of the last surviving applicant;</li> <li>○ The property is not occupied within 12 months from the start date of the Loan.</li> <li>○ Once occupied, it subsequently becomes unoccupied for more than 3 consecutive months;</li> <li>○ Transfer of ownership occurs within the 5 year term or the last surviving applicant dies.</li> </ul>	<p>Repayable, in full, at the end of the loan period.</p> <p>The loan will become repayable if:</p> <ul style="list-style-type: none"> <li>○ The property is not occupied within 2 months from the start date of the loan</li> <li>○ In full, if once occupied it subsequently becomes unoccupied for more than 3 consecutive months</li> <li>○ In full on breach of terms of loan agreement</li> <li>○ In full on sale or transfer of ownership during loan period</li> <li>○ In full on death of last surviving applicant.</li> </ul>
Other terms & conditions of the loan	<ul style="list-style-type: none"> <li>○ Building insurance must be in place for the duration of the loan.</li> </ul>	<ul style="list-style-type: none"> <li>○ Building insurance must be in place for the duration of the</li> </ul>

	<ul style="list-style-type: none"> <li>○ The applicant must sign up to a Formal agreement with the Housing Options Service to let the clients property through it's social lettings agency (YorHome) for the period of the loan.</li> <li>○ Only one Loan approval per property will normally be available.</li> </ul>	<p>loan.</p> <ul style="list-style-type: none"> <li>○ The applicant must sign up to a Formal agreement with the Housing Options Service to let the clients property through it's social lettings agency (YorHome) for the period of the loan <u>OR</u> be a recognised partner in the delivery of the Council's Supported Housing Strategy with a leasehold agreement for the minimum length of period of the loan <u>OR</u> with an owner who provides fixed term assured short hold tenancy for a minimum of 1 year period to tenants with a local connection through out the period of the loan</li> <li>○ Only one Loan approval per property will normally be available an applicant must enter in to a formal loan agreement</li> </ul>
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**General conditions applicable to all grant/loans applications**

- The following general conditions will normally apply to grant/loans applications:
- Properties eligible for grant/loans assistance (excluding Disabled Facilities Grants) must be more than ten years old.
- A minimum of two competitive estimates are required for all eligible works.
- Applicants or members of their families who wish to carry out grant/loan-aided works themselves will be eligible only for the cost of materials. Satisfactory invoices or receipts will be required before payment is made.
- Grant/loan approvals will be valid for 12 months from the date of approval.
- Work must not be started before written grant/loan approval is received, as grant/loan aid is not available retrospectively.

- Additional or unforeseen works identified during works in progress will only attract grant/loan assistance if the works are approved by the Council following a written estimate from the contractor.
- Payment of grant/loan monies will be made direct to the contractors or supervising agent on completion of the specified works, receipt of a satisfactory invoice and a satisfactory final inspection. Any works that may be covered by an insurance policy will need to be pursued through the customer's insurance company and the outcome confirmed in writing before works commence.

### **Fees for Preliminary and Ancillary Service Charges**

In the provision of any form of help involving the carrying out of building works, the Council will make a service charge for the following types of service:-

- Preparation of schedules of works
- Assistance in the completion of forms and the application process
- Assistance in the appointment of a builder
- Regular contact with the applicant during work in progress. The amount charged will be set out prior to the charge being incurred and the level will depend on the level of service being provided. The level of charges will be reviewed periodically.

Where the charges are incurred in conjunction with the provision of any form of grant/loan assistance, the charges will form part of the financial assistance being provided

Where the cost of the works exceeds the maximum level of grant/loan assistance, financial assistance to cover the cost of the charges will be paid in addition.

- For the Disabled Facilities Grant local authority administrative fees of 15% will be included in the grant approval (excluding grants for empty properties) in accordance with section 169 of the Local Government & Housing Act 1989.
- For the Home Safety loan local authority administrative fee of £200.00 will be included in all loans applications.
- For the Home Appreciation Loan local authority administrative fee of 12% will be included in all loans applications.
- For Empty Property Loans local authority administrative fee of 12% will be included in all loans applications.

These fees are not payable by the applicant and will be paid via an internal recharge by the Council on completion.

### **Repayment conditions**

Type of grant/loan	Period within which grant/loan would be required to be repaid if property sold
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The Disabled Facilities Grant	10 years
The Discretionary Adaptations Loan to help “Disabled Facilities Grant “applicants	On disposal of the property (whether by sale, assignment, transfer or otherwise)
Home Safety Loan	On disposal of the property (whether by sale, assignment, transfer or otherwise)
Home Appreciation Loans/ Empty Property Loans <sup>1</sup>	As per loan agreement

A local land charge will be registered following final payment of these grants/loans  
Note<sup>1</sup> Land Registry charges will be registered at the beginning of these loans

### Exceptional Circumstances

The Housing Standard and Adaptations Manager will consider, in exceptional circumstances, applications not covered by the policy, where there are health or safety risks or other relevant circumstances.

### Appeals and Complaints

If an applicant is not satisfied with the outcome of an application then it will be dealt with through the council’s complaints procedure. The applicant should contact the council’s complaints manager on York 551550

### Transitional Arrangements

This policy has effect from 18<sup>th</sup> March 2014 and replaces the previous grants and assistance policy last amended June which ceases to have effect on the same date subject to the transitional arrangement June 2014 detailed in paragraph below:

The grants and assistance policy continues to have effect in the following circumstances.

- The application for a grant/loan assistance was approved on or before 17<sup>th</sup> March 2014
- The Council’s Housing Standards and Adaptation Service received the enquiry for Home Appreciation Loan assistance before the **17<sup>th</sup> March and submitted to the Homes and Loans service** but a decision whether loan assistance will be provided has not yet been made. All other enquiries received for grant/loans assistance by the Council’s Housing Standards and Adaptations Service will be dealt with under the provisions of the new Policy.

**Enquiries:** All enquiries regarding this policy should be made to:

Housing Standards & Adaptations Service, Communities and Neighbourhoods Directorate  
West Offices, Station Rise, York YO1 6GA

Telephone 01904 551550 extension 4092 or 4023