



Home Repairs and Adaptations for Vulnerable People: Financial Assistance Policy

1 August 2017 – 31 March 2021

DRAFT FOR APPROVAL

Contents

	PAGE
Purpose of the Policy	3
Outcomes	4
 The help we will provide:	
Healthy Homes Loan	5
Affordable Warmth Grant	8
Disabled Facilities Grant	10
Independent Living Loan	14
Disability Relocation Grant	16
Empty Homes Loan	18
 Applications for Assistance falling outside of this Policy	21
Transitional Arrangements	21
 <u>Appendices</u>	
A – Interest Free Repayment Loans	22
B – Equity Share Loans	23
C – Disabled Facilities Grant Preliminary and Ancillary Services and Charges	24
D – Application Process	25
E - Carrying out and Completion of Works	26
 Contact details	27

Purpose of the Policy

One of the major social achievements of the last century is the significant increase in life expectancy. Improved housing has been an important contributor to that gain as decent, suitable housing is a key determinant of the health and wellbeing of a population, particularly in later life. The availability, standard and suitability of housing has a critical role to play in plans for a more integrated approach to provision of health services and social care. Good housing benefits people's mental and physical wellbeing, enables informal carers' ability to care, and underpins older people's ability to live independently, safely and as part of the wider community.

Whilst Cheshire East Council shares the Government's view that the primary responsibility for maintaining and improving housing rests with the owner, it also acknowledges that there are occasions where it is necessary to intervene, including where vulnerable people are unable to afford to carry out urgent repairs that are affecting their health and safety, and to support disabled people to overcome functional difficulties created by an unsuitable home environment.

The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 removed most of the prescriptive housing renewal grant legislation in the Housing Grants, Construction and Regeneration Act 1996, and introduced a wide ranging discretionary power for local housing authorities to develop different forms of financial assistance to meet local needs.

To provide financial assistance for housing repairs and improvements, the local housing authority must first adopt and publish a policy setting out how it intends to use this general power to award assistance. An Interim Private Sector Assistance Policy was adopted in 2009 and was replaced by a Private Sector Housing Financial Assistance Policy in 2012. The Policy has been reviewed in light of our experience of delivering the previous policies and how effective they have been at delivering outcomes for residents, and to take advantage of the opportunities that exist to secure better outcomes.

This Policy details six products to assist vulnerable people to repair and adapt their home. These products are in the following formats:

- **Interest free loan:** The Council offers the financial assistance on a repayable basis over a period of no more than ten years (five years for Empty Homes loans), but without any interest or additional premium upon repayment.
- **Equity share loan:** The Council offers the financial assistance in exchange for a share in the value of the property. There are no regular repayments, and no interest is added to the loan. The loan becomes repayable when the property is sold or transferred, and the repayment will be based on the value of the property. For example, where a property is valued at £100,000 and the person borrows £10,000, the Council takes a 10% stake in the property. When the property is sold, the Council's stake is 10% of the sale price, so if

the property is sold for £110,000, the Council receives a repayment of £11,000.

- **Grant:** The Council offers the financial assistance as a grant which is only repaid if any of the repayment conditions are triggered.

The Policy also details how the Council will act as a responsible lender and have regard to the applicant's ability to make repayments before we offer them a loan. As any loans are secured on the property, applicants are strongly advised to seek independent legal and financial advice, and the costs of professional advice can be included in their loan. We have developed two loan repayment options to maximise choice for applicants and to tailor our loan offer to their particular circumstances.

The Policy will be in operation from 1 August 2017 to 31 March 2021, subject to adequate funding being available.

Outcomes

This Policy is driven by the fifth of the Council's resident-focused outcomes: 'People Live Well and for Longer'. We are committed to supporting the most vulnerable residents, whilst enabling others to support themselves and lead a healthy and prosperous life.

We have developed a set out of four outcomes (below) that link up to Outcome 5 of the Council's Corporate Plan. All requests for help will be assessed against these to ensure that our financial assistance will help residents achieve at least one key outcome.

Outcome	Affordable Warmth	Independence
What this looks like	Residents can afford to heat their homes and have the opportunity of better health	Disabled people can use their home more effectively and live independently with confidence and dignity
Outcome	Health and Wellbeing	A place to live
What this looks like	Residents can be confident that their home is safe and weathertight and they can live without fear of injury or ill health	Residents have the opportunity to live in a suitable well maintained home in the heart of our communities

‘Healthy Homes’ Loan

1. Eligible Applicants

Any individual(s) who has a qualifying owner’s interest in the property and is over the age of 18, and has lived in the property for at least 12 consecutive months at the date of application, **and meets one or more of the following criteria:**

- 1.1 Is in receipt of one or more of the passporting benefits cited in the Housing Renewal Grants Regulations 1996 (as amended). At the time of publication of this Policy, the following benefits are cited, but may change from time to time as amended by the Regulations:
 - i. Income Support;
 - ii. Income Based Job Seekers Allowance;
 - iii. Pension Credit Guarantee;
 - iv. Income related Employment and Support Allowance;
 - v. Universal Credit;
 - vi. Child Tax Credit with maximum assessable income of £15,050;
 - vii. Working Tax Credit with maximum assessable income of £15,050 **or**
- 1.2 Is in receipt of one or more of the following Armed Forces related benefits:
 - i. War Disablement Pension
 - ii. Armed Forces Compensation Scheme Guaranteed Income Payment;
 - iii. Armed Forces Independence Payment; **or**
- 1.3 Is in receipt of one or more of the following disability related benefits, and is assessed as being unable to afford the full cost of the eligible works.
 - i. Attendance Allowance;
 - ii. Disability Living Allowance;
 - iii. Personal Independence Payment;
 - iv. Industrial Injuries Disablement Benefit; **or**
- 1.4 Has reached state retirement pension age, and is assessed as being unable to afford the full cost of the eligible works.
- 1.5 In respect of paragraphs 1.4 and 1.5, the Test of Resources set out in the Housing Renewal Grants Regulations 1996 (as amended) will be used to assess whether the applicant is able to afford the full cost of the eligible works.

2. Eligible Properties

- 2.1 The property must be situated in Cheshire East and must be registered at the Land Registry.
- 2.3 The loan will not normally be available where repairs have previously been

completed and financed by a loan from the Council under this or previous Policies where the condition relating to future applications has not yet expired.

3. **Eligible Works**

3.1 The following types of works are eligible for assistance:

- i. Repairs that will make the main structure of the property weather-tight. For example, typical repairs that could be considered, based on the severity of the disrepair, include roofing, windows and doors, and preventing damp penetration.
- ii. Repairs that will eliminate a significant hazard within the living accommodation. For example, typical repairs that could be considered, based on the severity of the disrepair, include electrics, gas, fire prevention and falls prevention.
- iii. Measures to reduce the consequences of flooding in areas designated by the Council as at risk of flooding.
- iv. Facelift works as part of an area based renewal or regeneration scheme.

The following areas of the home are excluded from being eligible for assistance with repairs: gardens, yards, annexes, garages, sheds, porches and conservatories, except where they form a fundamental part of the living accommodation.

Assistance will not be provided for kitchen or bathroom upgrades, or for decorative or cosmetic works that are not as a result of the assisted repairs.

3.2 A loan will not be given where there are other suitable forms of financial assistance available, for example but not limited to energy supplier schemes, or household insurance.

3.3 Loans will not be approved retrospectively; any works that have been started or completed prior to a valid loan application will not be considered.

3.4 Eligible works will be determined by the Strategic Housing service.

4. **Amounts**

4.1 The maximum loan amount that will be considered is £15,000, and a loan will not normally be considered for less than £1,000. All other potential sources of funding must be exhausted first; these thresholds may only be waived at the Council's absolute discretion where no other suitable sources of funding can be identified and the Council considers that financial hardship has been demonstrated using its standardised evaluation.

4.2 Eligible costs that can be included in an application for assistance are:

- i. Reasonable cost of eligible works and VAT

- ii. Eligible fees as set out at Appendix C

5. **Application Process**

Details are set out at Appendix D.

6. **Carrying out and Completion of the Works**

Details are set out at Appendix E.

7. **Loan Conditions**

- 7.1 The loan must be secured by way of a legal charge registered at the Land Registry.
- 7.2 The loan must be repaid by one of the following methods:
 - i. Interest-free repayment loan, as set out at Appendix A, or
 - ii. Equity share loan, as set out at Appendix B.
- 7.3 The applicant must live in the property as their only residence.
- 7.4 A valid policy for buildings insurance sufficient to reinstate the building must remain in force until the assistance is repaid, with the Council's interest in the property noted on the policy.
- 7.5 Where an applicant has provided false or misleading information in their loan application or in their request for payment, the approved loan will be withdrawn and a demand made for repayment of any monies already paid. The Council's interest in the property will not be removed from the Land Registry until all monies have been repaid. The Council reserves the right to apply interest at the Bank of England base rate plus 0.5% which will be charged daily from the 29th day after the demand for repayment is made until the loan is discharged in full.
- 7.6 The Council may by written notice require the applicant to provide a statement within 21 days showing how the loan conditions are being fulfilled. In the event that the loan conditions are breached, the Council reserves the right to make a demand for repayment of any outstanding monies, and interest at the Bank of England base rate plus 0.5% will be charged daily from the 29th day after the demand for repayment is made until the loan is discharged in full.
- 7.7 Further applications for financial assistance for repairs to the same property will not be considered under this Policy and subsequent versions of this Policy, for a period of ten years from the certified date of completion, or until the loan is discharged, whichever is the earlier.

‘Affordable Warmth’ Grant

1. Eligible Applicants

1.1 Any individual(s) who has a qualifying owner’s interest in the property, and is over the age of 18, and has lived in the property to be improved as their only residence for at least 12 consecutive months at the date of application, **and meets one or more of the following criteria:**

1.2.1 Is in receipt of one or more of the passporting benefits cited in the Housing Renewal Grants Regulations 1996 (as amended). At the time of publication of this Policy, the following benefits are cited, but may change from time to time as amended by the Regulations:

- i. Income Support;
- ii. Income Based Job Seekers Allowance;
- iii. Pension Credit Guarantee;
- iv. Income related Employment and Support Allowance;
- v. Universal Credit;
- vi. Child Tax Credit with maximum assessable income of £15,050;
- vii. Working Tax Credit with maximum assessable income of £15,050 **or**

1.2.2 Is in receipt of one or more of the following Armed Forces related benefits:

- i. War Disablement Pension
- ii. Armed Forces Compensation Scheme Guaranteed Income Payment;
- iii. Armed Forces Independence Payment; **or**

1.2.3 Has a household income of less than £16,000 (single person household) or £20,000 (multiple person household) and savings of less than £8,000, **and** a member of the household has one or more of the following health conditions for which they are receiving medical treatment at the time of their application:

- i. Chronic Respiratory disease (for example, COPD, emphysema, chronic bronchitis, severe asthma)
- ii. Chronic Cardiovascular disease (for example, heart disease, stroke)
- iii. Cancer
- iv. Terminal illness
- v. Mental ill health

2. Eligible Properties

2.1 The property must be situated in Cheshire East.

3. Eligible Works

3.1 The following types of work are eligible for assistance:

- i. Heating and/or hot water repairs;

- ii. Boiler replacements;
 - iii. Installation of an appropriate heating system or appliance in an inadequately heated room(s), for example additional radiator, first time central heating system, storage heater or gas fire.
- 3.2 A grant will not be given where there are other suitable forms of financial assistance available, for example but not limited to, energy supplier schemes, heating grants or household insurance.
- 3.3 Grants will not be approved retrospectively; any works that have been started or completed prior to a valid grant application will not be considered.
- 3.4 Eligible works will be determined by the Strategic Housing service in consultation with a Council-appointed heating engineer.
- 4. **Amount of the Grant**
 - 4.1 The maximum grant amount will normally be 75% of the cost of the works, up to a maximum of £2,000. All other potential sources of funding must be exhausted first; the grant may only exceed 75% where no other sources of funding can be identified and the applicant demonstrates financial hardship.
 - 4.2 The maximum amount will include the cost of eligible works and any VAT. A fee in accordance with the Council's Fees and Charges schedule can be included as part of the grant, for technical and professional services provided by the Council to facilitate the application process.
- 5. **Application Process**

Details are set out at Appendix D.
- 6. **Carrying out and Completion of the Works**
 - 6.1 Details are set out at Appendix E.
- 7. **Conditions of Assistance**
 - 7.1 Where an applicant has provided false or misleading information in their grant application or in their request for payment, the approved grant will be withdrawn and a demand made for repayment of any monies already paid.

‘Disabled Facilities’ Grant

The primary legislation for Disabled Facilities Grants is the Housing Grants, Construction and Regeneration Act 1996 (as amended).

1. Eligible Applicants

- 1.1 Any person with a qualifying owner’s, tenant’s or occupier’s interest in the property who is over the age of 18.

2. Eligible Properties

- 2.1 Dwellings, qualifying houseboats and caravans are eligible for assistance.
- 2.2 The property must be situated in Cheshire East.
- 2.3 The property must be the only or main residence of the disabled person for whom the adaptation is intended.

3. Eligible Works

- 3.1 The works must be necessary and appropriate to meet the needs of the disabled person.
- 3.2 It must be reasonable and practicable to carry out the works, having regard to the age and condition of the property.
- 3.3 The works must be for at least one of the following purposes:
 - a) Facilitating access by the disabled person to and from the dwelling, qualifying houseboat or caravan, or the building in which the dwelling is situated;
 - b) Making the dwelling, qualifying houseboat or caravan, or the building in which the dwelling is situated, safe for the disabled person and other persons residing with them;
 - c) Facilitating access by the disabled person to a room used or usable as the principal family room;
 - d) Facilitating access by the disabled person to, or providing for them, a room used or usable for sleeping;
 - e) Facilitating access by the disabled person to, or providing for them, a room in which there is a lavatory, or facilitating for the disabled person the use of a lavatory;
 - f) Facilitating access by the disabled person to, or providing for them, a room in which there is a bath or shower (or both), or facilitating for the disabled person the use of a bath or shower;
 - g) Facilitating access by the disabled person to, or providing for them, a room in which there is a wash hand basin, or facilitating for the

disabled person the use of a wash hand basin;

- h) Facilitating the preparation and cooking of food by the disabled person
- i) Providing or improving any heating system in the dwelling to meet the needs of the disabled person
- j) Facilitating the use by the disabled occupant of a source of power, light or heat by altering the controls or the position of the controls, or providing additional controls
- k) Facilitating access around the dwelling, qualifying houseboat or caravan for the disabled person to enable them to provide care for another person who is normally resident there
- l) Facilitating access to and from the garden for the disabled person
- m) Making access to and from the garden safe for the disabled person
- n) Such other purposes as may be specified by order of the Secretary of State.

3.4 Grants cannot be approved retrospectively; any works that have been started or completed prior to a valid grant application will not be considered.

3.5 Eligible works will be determined by the Strategic Housing service in consultation with a Council-appointed Occupational Therapist.

3.6 When determining eligible works, regard will be had to value for money and establishing the most cost effective method of overcoming the disabling environment. The Council will always consider making adaptations within the existing footprint of the property first, and where this is not possible, only then will it consider extending the footprint of the living accommodation, apart from in exceptional circumstances where extending the footprint is the more cost effective option.

3.7 It is recognised that applicants may wish to carry out adaptations which are not the most cost effective approach. The Disabled Facilities Grant can be used flexibly to provide the applicant's preferred adaptations where the proposals will meet the needs identified by the Council-appointed Occupational Therapist. In these circumstances, the maximum grant awarded will be restricted to the value of the most cost effective adaptations and any eligible fees, to a maximum of £30,000.

4. **Amounts**

4.1 The maximum amount of grant allowed is £50,000. At the time of publication of this Policy, the maximum mandatory grant is £30,000. The Policy provides for an additional discretionary grant of a maximum of £20,000. In the event that the mandatory maximum grant limit is adjusted, the discretionary grant will be reviewed.

4.2 The additional discretionary grant will not be awarded in conjunction with the

use of the flexible Disabled Facilities Grant option outlined at paragraph 3.7, other than in exceptional circumstances where the most cost effective option would exceed the mandatory maximum grant limit. In these circumstances, the discretionary grant will be capped at the value of the most cost effective option.

- 4.3 Applicants will be subject to a Test of Resources in accordance with the Housing Renewal Grants Regulations 1996 (as amended) to determine whether all or any assistance will be made available. Where the applicant is in receipt of a means-tested benefit or the adaptations is for a disabled child under 16 years of age or a young person in full-time education under 20 years of age, there will be no Test of Resources.
- 4.4 Where applicants are assessed as having to make a financial contribution following a Test of Resources, the amount of grant to be awarded for eligible works will be reduced by an amount equivalent to the assessed contribution.
- 4.5 The maximum amount of grant will include the cost of eligible works, VAT and eligible fees. Eligible fees are detailed at Appendix C.

5. **Application Process**

- 5.1 Applicants must submit a valid application, consisting of:
 - i. a completed application, together with evidence of any welfare benefit entitlement, income, savings, shares and capital
 - ii. details of the works to be carried out,
 - iii. two written quotations for each type of work from contractors, unless otherwise directed by the Council,
 - iv. owner's, tenant's, and/or occupier's certificate,
 - v. details of any eligible fees, and
 - vi. proof of ownership and /or written consent of all owners.
- 5.2 The Council will approve or refuse a grant application in writing not later than six months from the date of a valid application. Where a grant application is refused, the Council will provide a written statement of the reasons for refusal, and details of any appeals procedure.

6. **Carrying Out and Completion of the Works**

Details can be found at Appendix E.

7. **Conditions of Assistance**

- 7.1 In accordance with the Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grant (Conditions relating to approval or payment of grant) General Consent 2008:

- 7.1.1 If the applicant disposes of the property within 10 years of the certified date of completion, and the applicant has a qualifying owner's interest in the property, any grant in excess of £5,000 will become repayable, subject to a maximum amount repayable of £10,000.
- 7.1.2 The Council may, at its discretion, waive any demand for repayment of assistance once it has considered:
- i. the extent to which the grant recipient would suffer financial hardship were they to be required to repay all or any of the grant;
 - ii. whether the disposal of the premises is to enable the grant recipient to take up employment, or to change the location of their employment;
 - iii. whether the disposal is made for reasons connected with the physical or mental health or well being of the grant recipient or of a disabled occupant of the premises; and
 - iv. whether the disposal is made to enable the grant recipient to live with, or near, any person who is disabled or infirm and in need of care, which the grant recipient is intending to provide, or who is intending to provide care of which the grant recipient is in need by reason of disability or infirmity.
- 7.2 Requests for exemptions to repayment must be made in writing.
- 7.3 The Council reserves the right to remove equipment, such as lifts, when it is no longer required by the disabled person. Where it is clear that the equipment will not be reused due to its age or condition the Council may waive its right to recover such equipment.
- 7.4 Where an applicant has provided false or misleading information in their grant application or in their request for payment, the grant approval will be withdrawn and a demand made for repayment of any monies already paid.

‘Independent Living’ Loan

1. Eligible Applicants

- 1.1 Any individual(s) who has a qualifying owner’s interest in the property, and is over the age of 18, and is disabled, or a member of their household is disabled, and has been assessed by a Council-appointed Occupational Therapist as needing adaptations to their home.
- 1.2 Applicants will be subject to a Test of Resources in accordance with the Housing Renewal Grants Regulations 1996 (as amended) to determine whether all or any assistance will be made available. Where the applicant is in receipt of a means-tested benefit or the adaptations is for a disabled child under 16 years of age or a young person in full-time education under 20 years of age, there will be no Test of Resources.

2. Eligible Properties

The property must be situated in Cheshire East and be registered at the Land Registry.

3. Eligible Works

- 3.1 Adaptations that meet the purposes specified in the Housing Grants, Construction and Regeneration Act 1996 (refer to ‘Eligible Works’ under Disabled Facilities Grants) are eligible, where:
 - i. The applicant is unable to afford their assessed contribution for the mandatory Disabled Facilities Grant; or
 - ii. The applicant is utilising the flexible Disabled Facilities Grant option but is unable to afford their contribution to their preferred adaptations; or
 - iii. The adaptations are needed at a property that is not the main residence of the disabled person, but where the disabled person spends a significant proportion of their time receiving care (for example, in the home of a family member who provides regular respite care or support).
- 3.2 Loans will not be approved retrospectively; any works that have been started or completed prior to a valid loan application will not be considered.
- 3.3 Eligible works will be determined by the Strategic Housing service in consultation with a Council-appointed Occupational Therapist.

4. Amount of Loan

- 4.1 The maximum loan amount that will be considered is £15,000, and a loan

will not normally be considered for less than £1,000. All other potential sources of funding must be exhausted first; these thresholds may only be waived at the Council's absolute discretion where no other suitable sources of funding can be identified and the Council considers that financial hardship has been demonstrated using its standardised evaluation.

- 4.2 Eligible fees that may be included as part of the application for assistance are:
- i. Legal fees and disbursements incurred as a result of setting up the loan
 - ii. Financial advice
 - iii. Lenders' fees for registering a second charge

5. **Application Process**

Details are set out at Appendix D.

6. **Carrying out and Completion of Works**

- 6.1 Details are set out at Appendix E.

7. **Loan Conditions**

- 7.1 The loan must be secured by way of a legal charge registered at the Land Registry.
- 7.2 The loan must be repaid by one of the following methods:
- i. Interest-free repayment loan, as set out at Appendix A, or
 - ii. Equity share loan, as set out at Appendix B.
- 7.3 A valid policy for buildings insurance sufficient to reinstate the building must remain in force until the loan is repaid, with the Council's interest in the property noted on the policy.
- 7.4 Where an applicant has provided false or misleading information in their loan application or in their request for payment, the approved loan will be withdrawn and a demand made for repayment of any monies already paid. The Council's interest in the property will not be removed from the Land Registry until all monies have been repaid.
- 7.5 The Council may by written notice require the applicant to provide a statement within 21 days showing how the loan conditions are being fulfilled. In the event that the loan conditions are breached, the Council reserves the right to make a demand for repayment of any outstanding monies, and interest at the Bank of England base rate plus 0.5% will be charged daily from the 29th day after the demand for repayment is made until the loan is discharged in full.

‘Disability Relocation’ Grant

1. Eligible Applicants

- 1.1 Any individual(s) who is over the age of 18, and is disabled, or a member of their household is disabled, and has been assessed by a Council-appointed Occupational Therapist as needing adaptations to their home, **and**
- 1.2 Is assessed as being unable to afford the full cost of the eligible relocation expenses.
- 1.3 The Test of Resources set out in the Housing Renewal Grants Regulations 1996 (as amended) will be used to assess whether the applicant is able to afford to afford the full cost of the eligible relocation expenses.

2. Eligible Properties

- 2.1 The current property (that is, the property that the disabled person is moving from) must be situated in Cheshire East, **and**
 - 2.2.1 It must not be reasonable or practicable to adapt the current property, **or**
 - 2.2.2 The new property (that is, the property that the disabled person intends to move to) offers a better suited solution for the disabled person, and the solution offers better value for money for the Council. The new property must, in the reasonable opinion of the Strategic Housing service in conjunction with a Council-appointed Occupational Therapist, be appropriate to the needs of the disabled person, and any necessary adaptations to the new property must be reasonable and practicable.
- 2.4 The new property must be intended to be the only or main residence of the disabled person. There are no restrictions on the tenure or location of the new property.

3. Eligible Expenses

- 3.1 Assistance will be given towards reasonable removal costs associated with moving home, including:
 - i. Professional removal costs
 - ii. Disconnection and reconnection of household appliances
 - iii. Removal and reinstallation of disability equipment
- 3.2 Expenses that have been incurred prior to the application for assistance will not be considered.
- 3.3 Eligible expenses will be determined by the Strategic Housing service.

4. **Amounts**

- 4.1 The maximum grant amount will normally be £2,000. All other potential sources of funding must be exhausted first; the grant may only exceed £2,000 where no other sources of funding can be identified and the applicant demonstrates financial hardship.

5. **Application Process**

Details can be found at Appendix D.

6. **Carrying out and Completion of Works**

Details can be found at Appendix E.

7. **Grant Conditions**

- 7.2 Where an applicant has provided false or misleading information in their grant application or in their request for payment, the approved grant will be withdrawn and a demand made for repayment of any monies already paid.
- 7.3 Further applications for a disability relocation grant will not be considered from the same applicant under this Policy and subsequent versions of this Policy, except where there has been a change in the disabled person's or their carer's needs and the property cannot be adapted to meet those needs, or the needs of another disabled person residing at the property cannot be met within the property.

‘Empty Homes’ Loan

1. Eligible Applicants

- 1.1 Any individual(s) who has a qualifying owner’s interest in the property and is over the age of 18.
- 1.2 The purposes for which an Empty Homes Loan may be given are:
 - i. For a member of the Cheshire Landlord Accreditation Scheme who is the owner of an empty home and who intends to let the property on a tenancy that lasts for a minimum period of twelve months
 - ii. For an owner of an empty home who has entered, or intends to enter, into a lease agreement that lasts for at least the term of the loan agreement with a property management company or Registered Provider.

2. Eligible Properties

- 2.1 The property must be situated in Cheshire East and must be registered at the Land Registry.
- 2.3 The loan will not be available where repairs have previously been completed and financed by a loan from the Council under this or previous Policies where the condition relating to future applications has not yet expired.
- 2.4 The property must have been unoccupied for at least twelve consecutive months prior to the date of application, and determined as a high priority for refurbishment and re-occupancy by the Council. Priority will be determined through the use of a scoring matrix.

3. Eligible Works

- 3.1 Works that will bring the property up to an acceptable living standard ready for occupancy are eligible.
- 3.2 The following areas of the home are excluded from being eligible for assistance with repairs: gardens, yards, annexes, garages, sheds, porches and conservatories, except where they form a fundamental part of the living accommodation.
- 3.2 A loan will not be given where there are other suitable forms of financial assistance available, for example but not limited to energy supplier schemes, or household insurance.
- 3.3 Loans will not be approved retrospectively; any works that have been started

or completed prior to a valid loan application will not be considered.

3.4 Eligible works will be determined by the Strategic Housing service.

4. **Amounts**

4.1 The maximum loan amount that will be considered is £20,000, and a loan will not normally be considered for less than £1,000. All other potential sources of funding must be exhausted first; these thresholds may only be waived at the Council's absolute discretion where no other suitable sources of funding can be identified and the Council considers that financial hardship has been demonstrated using its standardised evaluation.

4.2 Eligible costs that can be included in an application for assistance are:

- i. Reasonable cost of eligible works and VAT
- ii. Eligible fees, as detailed at Appendix C

5. **Application Process**

Details can be found at Appendix D.

6. **Carrying out and Completion of the Works**

Details can be found at Appendix E.

7. **Loan Conditions:**

7.1 The loan must be secured by way of a legal charge recorded at the Land Registry.

7.2 The loan will be provided as an interest-free repayment loan over a maximum term of five years as set out at Appendix A.

7.5 The property must be occupied by a tenant and remain available to let to tenants throughout the term of the loan. The property must be available to let at a rate not in excess of Local Housing Allowance, and no restrictions can be put in place that prevents a person in receipt of welfare benefits occupying the property.

7.4 A valid policy for buildings insurance sufficient to reinstate the building must remain in force until the assistance is repaid, with the Council's interest in the property noted on the policy.

7.5 Where an applicant has provided false or misleading information in their application for assistance or in their request for payment, the approval of assistance will be withdrawn and a demand made for repayment of any monies already paid. The Council reserves the right to apply interest at the

Bank of England base rate plus 0.5% which will be charged daily from the 29th day after the demand for repayment is made until the loan is discharged in full.

- 7.6 The Council may by written notice require the applicant to provide a statement within 21 days showing how the loan conditions are being fulfilled. In the event that the loan conditions are breached, the Council reserves the right to make a demand for repayment of any outstanding monies, and interest at the Bank of England base rate plus 0.5% will be charged daily from the 29th day after the demand for repayment is made until the loan is discharged in full. The Council's interest in the property will not be removed from the Land Registry until all monies have been repaid.
- 7.7 Further applications for financial assistance for repairs to the same property will not be considered under this Policy and subsequent versions of this Policy, for a period of ten years from the certified date of completion.
- 7.8 The Council will normally only approve a maximum of three applications for Empty Homes Assistance from an applicant in any calendar year. This may only be waived where the applicant can demonstrate that no other suitable funding sources are available.

Applications for assistance falling outside of this Policy

All grant and loan applications will be considered against the published criteria. If the application does not meet the criteria, the Council will inform the applicant in writing of the reason why their application is being refused.

Where an applicant is refused assistance and they wish to appeal against the decision, they should appeal in writing to the Council within 28 days of the date of refusal.

It is recognised that there may be situations where the refusal of assistance would disproportionately disadvantage the applicant. In these circumstances, the Council may waive or alter some or all of the eligibility criteria, minimum or maximum amounts, or conditions of assistance based on the individual circumstances, and approve the application for assistance. All cases will be considered on an individual basis in a fair and transparent way by an Appeals Panel of senior housing officers. The decision of the Appeals Panel will be final in respect of that individual case and will not be binding upon future applications made by that or any other applicant.

Transitional Arrangements

From 1st August 2017, all new applications for assistance will be considered against the criteria set out within this Policy.

All applications for assistance approved under the Private Sector Housing Financial Assistance Policy 2012 will continue to be valid in accordance with the specific conditions of assistance contained within that Policy.

All valid applications received on or before 31st July 2017 under the Private Sector Housing Financial Assistance Policy 2012 but not yet approved will be processed in accordance with that Policy, except where the applicant requests that their application is assessed in accordance with this replacement Policy.

Appendix A

Interest Free Repayment Loans

1. Loans are offered as secured loans. The loan is secured by way of a legal charge registered at the Land Registry, until such time that the loan is repaid in full.
2. All joint owners and, where applicable, anyone with a legal interest in the property must give their consent to the works to be carried out and the registration of a legal charge.
3. The Council may request a written valuation of the property to determine whether there is sufficient equity for its interest in the property to be secure.
4. The applicant must make monthly repayments of the loan in accordance with an agreed schedule. We will calculate the monthly payment so that the loan is repaid to us by the end of the term of the loan. The term of the loan will not exceed ten years (five years in the case of an Empty Homes loan).
5. Applicants can repay the loan early at any time without penalty.
6. We may withdraw the offer at any time before we make the loan for any of the following reasons:
 - a. The discovery of a defect in the title to the property
 - b. The deterioration of the applicant's financial position
 - c. The supply of false information in connection with the applicant's loan application
7. If the applicant experiences financial difficulty and has problems maintaining the repayments schedule at any time, the Council will, having regard to the applicant's financial circumstances, consider alternative payment options including:
 - a. Recalculating monthly payments to include any arrears
 - b. Extending the period of the loan beyond the maximum loan term of ten years
 - c. Terminating the interest free repayment loan and offering the outstanding balance as an equity share loan
8. The loan will become immediately repayable in the following circumstances:
 - a. Upon sale or transfer of the property
 - b. In the event that the property is no longer the main residence of the applicant
 - c. In the event of a successful insurance claim related to the eligible works
 - d. Upon death of the applicant (or where there is more than one applicant, the death of the last surviving applicant).
 - e. In the event of a breach of a loan condition.

Illustration (example only)

Amount borrowed:	24 monthly repayments	60 monthly repayments	84 monthly repayments	120 monthly repayments	Total repaid:
£1,000	41.67	16.67	11.90	8.33	£1,000
£2,000	83.33	33.33	23.81	16.67	£2,000
£5,000	208.33	83.33	59.52	41.67	£5,000
£10,000	416.67	166.67	119.05	83.33	£10,000

Appendix B

Equity Share Loans

1. Loans are offered as secured loans. The loan is secured by way of a legal charge registered at the Land Registry.
2. All joint owners and, where applicable, anyone with a legal interest in the property must give their consent to the works to be carried out and the registration of a legal charge.
3. The Council will request a written valuation of the property suitable for money lending purposes to determine the percentage share and whether there is sufficient equity for its interest in the property to be secure.
4. The principle amount borrowed (the loan) is secured as a percentage share in the property. The percentage share is calculated using the amount of the loan, and the value of the property.
5. The redemption value of the loan will be calculated based on the percentage share of the value of the property at the point of sale. If, at the time of redemption of the loan, the property value is less than when the loan was approved, the repayment amount will be less than the amount borrowed.
6. Applicants can repay the loan early at any time. A written valuation will be necessary to determine the repayment amount.
7. We may withdraw the offer at any time before we make the loan for any of the following reasons:
 - a. The discovery of a defect in the title to the property
 - b. The deterioration of the applicant's financial position
 - c. The supply of false information in connection with the applicant's loan application
8. The loan will become immediately repayable in the following circumstances:
 - a. Upon sale or transfer of the property
 - b. In the event that the property is no longer the main residence of the applicant
 - c. In the event of a successful insurance claim related to the eligible works
 - d. Upon death of the applicant (or where there is more than one applicant, the death of the last surviving applicant)
 - e. In the event of a breach of a loan condition.

Illustration (example only)

	Example 1	Example 2	Example 3
Amount borrowed	£10,000	£7,000	£5,000
Value of property at date of loan offer	£100,000	£187,000	£150,000
Council's percentage share	10%	3.74%	3.33%
Value of property at date of repayment	£120,000	£200,000	£145,000
Amount repayable	£12,000	£7,480	£4,828.50

Appendix C

Preliminary and Ancillary services and charges

Disabled Facilities Grants

Preliminary and ancillary services and charges which can be included in applications for Disabled Facilities Grants are determined by the Housing Renewal Grants (Services and Charges) Order 1996 (S.I. 1996/2889):

- Confirmation that an applicant has an owner's interest in the property
- Specialist, technical and/or structural surveys
- Design and preparation of plans and drawings
- Preparation of schedules of the relevant works
- Assistance in completing forms
- Advice on financing the cost of the relevant works which are not met by the Council's assistance
- Applications for building regulations approval or planning permission (including the application fee and the preparation of related documents)
- Obtaining estimates for the relevant works
- Advice on contracts
- Consideration of tenders
- Supervision of the relevant works
- Disconnection and reconnection of electricity, gas, water or drainage utilities where this is made necessary by the relevant works (but not charges arising from non-payment of bills)
- Payment of contractors
- Services and charges of an occupational therapist in relation to the relevant works

Healthy Homes, Independent Living and Empty Homes Loans

- i. Specialist, technical and/or structural reports that are required by the Council
- ii. Building Control fees for eligible works
- iii. Legal fees and disbursements incurred as a result of setting up the loan
- iv. Valuation fees
- v. Financial advice
- vi. Lenders' fees for registering a second charge
- vii. A fee in accordance with the Council's Fees and Charges schedule will be included as part of the loan, for technical and professional services provided by the Council to facilitate the application process.

Appendix D

Application Process

- 1 All grant and loan applications must be made on the Council's official application form (except for the mandatory Disabled Facilities Grant), and accompanied by at least two written quotations on contractors' letter headed paper, and any other information that the Council considers necessary to be able to consider a grant or loan application. The requirement for two written quotations will only be waived in circumstances such as imminent risk to health and safety, or where the applicant can demonstrate that they have made all reasonable efforts to secure two quotes but have been unsuccessful.
- 2 Before approving a loan application, the Council will have regard to the applicant's ability to repay the loan. The Council will take into account any charges already secured on the property, bankruptcy checks, the level of equity available in the property, and any information obtained in the course of its checks which reveal financial difficulties within the last six months. The Council will not normally award a loan where the existing charges registered on the property combined with the amount of financial assistance requested would reduce the available equity in the property to 10% or less of the property value.
- 3 Before a loan application is approved, the applicant and the Council must enter into a loan agreement and a charge in favour of the Council must be registered at the Land Registry.
- 4 The Council will advise whether a grant or loan application has been approved or refused in writing, together with the value of the grant or loan that has been approved. Where an application is refused, the Council will provide a written statement of the reasons for refusal, and details of any appeals procedure.

Appendix E

Carrying out and Completion of Works

- 1 Works must be carried out by a contractor whose quotation was accepted as part of the grant or loan application. Any request to change the contractor must be made in writing. Consent will not be unreasonably withheld by the Council.
- 2 The timescales for the different grants and loans are set out below:

Grant/Loan	Work must be started by no later than -	Works must be completed by no later than -
Healthy Homes Loan	3 months from the date of approval	6 months from the date of approval
Affordable Warmth Grant	1 month from the date of approval	2 months from the date of approval
Disabled Facilities Grant	12 months from the date of approval	12 months from the date of approval
Independent Living Loan	12 months from the date of approval	12 months from the date of approval
Disability Relocation Grant	12 months from the date of approval	12 months from the date of approval
Empty Homes Loan	3 months from the date of approval	6 months from the date of approval

Requests for additional time to start or complete the works must be made in writing before the end of the relevant period. Consent will not be unreasonably withheld by the Council. In the event that the timescales are not adhered to, the Council reserves the right to cancel the grant or loan approval.

- 3 In the event of unforeseen work or an increase in costs arising during the course of the works the amount of the grant or loan may be increased at the discretion of the Council. The minimum amount of additional loan that will be considered is £200. The Council will only approve the request where the combined sum of the approved grant or loan with the additional request do not exceed the relevant maximum permitted grant or loan. Where the approved assistance is a loan, the applicant and the Council must enter into a revised loan agreement. Additional fees will be incurred for the registration of an amended legal charge.
- 4 Payment of assistance will be only be made where:

- i. The eligible works have been completed in accordance with any statutory requirements and/or the Council's specification, and to the reasonable satisfaction of an appointed Strategic Housing officer, and
 - ii. The Council's standard payment request form has been completed, and
 - iii. The Council has received a valid invoice or receipt for the works. An invoice or receipt will not be considered valid where it is issued by a company that the applicant or a member of their family is a proprietor of.
- 5 Requests for interim payments will be considered. The value of interim payments will not exceed the value of the works completed, and will not exceed 90% of the total value of eligible works that have been approved.
- 6 Requests for advance payments to make deposits for materials will not normally be considered, and will only be allowed where the applicant demonstrates financial hardship.
- 7 Where requests are received for an increase to the grant or loan for unforeseen works, the Council will only approve the request where the combined sum of the approved grant or loan with the additional request do not exceed the relevant maximum permitted grant or loan. Where the approved assistance is a loan, the applicant and the Council must enter into a revised loan agreement.
- 8 In the event of a dispute between the applicant and the contractor about the satisfactory completion of works, the Council reserves the right to pay the grant or loan to the applicant or contractor if the works have been carried out to the satisfaction of a Strategic Housing officer.

Contact details

This Policy is operated by the Housing Standards and Adaptations team, part of the Strategic Housing service:

By telephone: 0300 123 5017 Option 4

By email: privatehousing@cheshireeast.gov.uk

By post: (Floor 5, Delamere House), c/o Municipal Buildings, Earle Street, Crewe, Cheshire, CW1 2BJ

Or visit our website: www.cheshireeast.gov.uk/homerepairs