



Private Sector Housing Renewal Assistance - Dec 2003 Policy Document



Private Sector Housing Renewal Assistance

Policy Document

Background

On 30th July 2003 Swindon Borough Councils Cabinet approved a strategy for the provision of Private Sector Housing Renewal Assistance to its residents. The strategy recognizes the continuing need for such assistance to be provided in Swindon and establishes the principles of where and how this assistance should be given.

In general assistance will continue to be aimed at those households who by virtue of their age, disability or financial disadvantage are least able to help themselves.

Traditionally such assistance has been exclusively in the form of direct grant assistance with limited conditions attached to it. The new wider range of assistance being offered takes advantage of the flexibility introduced under the Regulatory Reform (Housing Assistance)(England & Wales) Order 2002. By offering assistance to owners to access Equity Release Loans and by extending grant repayment condition periods the strategy has recognized the considerable equity that many Swindon residents have in their home. The Council aims to assist in accessing this equity.

This policy describes in detail the full range of assistance now being made available; who is eligible for this assistance; how they should make an application; the levels of assistance being offered, and the legal conditions attached.

The policy will be kept under review to ensure that it continues to meet the aims and intentions of the strategy.

**A SUMMARY OF THE TYPES OF ASSISTANCE CURRENTLY BEING MADE
AVAILABLE UNDER THIS POLICY IS PROVIDED IN**

APPENDICIES (A) to (G)

Appendix A

AWARD POLICY FOR RENOVATION GRANTS

(as from 8th December 2003)

All Renovation Grants are awarded at the discretion of Swindon Borough Council. It is the intention of the Council that such grants are awarded both fairly and consistently. The following summary of policy gives guidance on their current availability.

Grants for Works to an Applicants Home

Renovation Grants are available for necessary repairs and improvements to an applicant's home. Such grants are available only to owner-occupiers or to secure tenants who have full repairing obligations.

Applicants must have lived in their home for a minimum of three years prior to the date of their application. All such grants are means tested to determine the amount that must be contributed by the applicant. The level of grant is the difference between the Councils agreed cost of the works (usually the lowest estimate) and the applicants determined contribution. The maximum amount of Renovation grant available is £40,000.

Qualification is based on the condition of the property. Grants are generally available in the following circumstances:

1. The applicants home is substantially unfit for human habitation (currently defined by S.604 Housing Act 1985) or fails to meet an acceptable standard in terms of any replacement Housing Health and Safety Hazard Scoring regime.
2. The applicants home is in substantial external disrepair and works are required to arrest its decline and prevent it from becoming unfit.

The extent of the grant-aided works is limited to those necessary to remediate the grounds of unfitness or the substantial external disrepair. Some associated works necessary to extend the life of the property or render it safe and suitable for its occupants may also be appropriate at the discretion of the Council.

The following gives clarification on the eligibility of specific works:

- I. Where a house is defined as unfit by reason of a small kitchen, bad internal arrangement, a WC entered directly from the kitchen or only lacks a wash hand basin, but is in all other respects fit for human habitation, remedial works **will not** qualify for grant assistance. An exception may be made where the house layout or size of the kitchen pose a significant health and safety risk to occupants.
- II. Missing or replacement bathrooms are to be provided within the existing main structure of the dwelling unless the size of the accommodation, the number of bedrooms and the number of permanent residents dictates that an extension is necessary. This requirement will not apply where there are only two bedrooms in the house.

- III. Kitchen facilities will only be enhanced/replaced where the existing kitchen structure is such that it cannot be repaired or because of its design/unsatisfactory construction it cannot achieve a satisfactory standard of thermal insulation.
- IV. Where new replacement kitchen facilities are to be provided and where there are three living rooms, grant aid will be provided for installation of the kitchen in one of these rooms. In other cases where an extension needs to be constructed, grant aid will be provided to build a kitchen of not greater than a total of 7.5sq meters measured internally.
- V. Application for Renovation Grants for the provision of heating or hot water systems shall only be approved where the deficiency renders the property unfit for human habitation and the applicant is either over 60 years of age or registered disabled/capable of being registered disabled.
- VI. However where a substantially unfit property is undergoing extensive and full renovation, grant assistance may include the provision of central heating for the first time where this is in conjunction with the provision of a hot water system.
- VII. Where houses are generally fit for habitation, but substantial repairs are required to the external fabric in order to arrest decline, grant aid will be provided only for houses built prior to 1 December 1940.

Grants for Landlords or Owners of Rented Property

Renovation grants are only available to Landlords under a scheme aimed at returning long term vacant properties to housing use (See “Empty Property Grants” – Appendix F)

Summary of Grant Conditions

- The property must remain occupied by the applicant or his immediate family throughout the grant condition period.
- The property must remain in the ownership of the applicant or his immediate family throughout the grant condition period.
- The grant condition period is 20 years following satisfactory completion of the grant works.
- The Council will reclaim the full amount of the grant in the event of a breach of conditions.
- The grant conditions will remain as a legal charge on the property throughout the grant condition period.

Appendix B

AWARD POLICY FOR DISABLED FACILITIES GRANTS

(as from 8th December 2003)

The Council has a duty to approve all valid Mandatory Disabled Facilities grant applications. In certain circumstances there is discretion to award additional grant above the current Mandatory Limit of £25,000 or to fund additional discretionary works. It is the intention of the Council that these discretionary grants are awarded both fairly and consistently. The following policy gives guidance on their current availability.

Mandatory Disabled Facilities Grants

All such grants will be approved as soon as all formalities are completed satisfactorily. The extent of the grant aided works will be limited to those works necessary to meet the needs of the disabled occupier as determined in conjunction with an Occupational Therapist employed by Social Services.

Such grants are means tested to determine the amount that must be contributed by the applicant. The level of the grant is the difference between the Councils agreed cost of works (usually the lowest estimate) and the applicants determined contribution. The maximum amount of Mandatory Disabled Facilities Grant that can be awarded is currently £25,000 .

Discretionary Disabled Facilities Grants

These can only be awarded in the following circumstances:-

1. For Mandatory works above the current Mandatory limit of £25,000.

Approval of such grants are at the discretion of the Head of Service for "Planning & Health" together with Group Account for Environmental Services. Applicants will be required to request consideration for award of such grants in writing giving their reason why additional funding is necessary in order for the scheme of works to proceed. Matters that will be taken into account when determining such grants include:

- An applicants ability to afford the excess cost of Mandatory works.
- Likelihood of scheme not proceeding.
- Consequences for the disabled occupant
- Justification of any proposed self-funded enhancements or additions to the proposed grant aided scheme that would add value or living space to the property.

Such grants are means tested although account is taken of any previously determined contributions in respect of the associated Mandatory grant.

2. For Discretionary works

Such applications will not normally be considered. However alternative assistance may be available in the form of a "Loan Access Grant" (See Appendix C)

Grant Conditions

- There are no grant conditions appertaining to Mandatory Disabled Facilities grants.
- It is a condition of Discretionary Disabled Facilities grants that the property remains occupied by and owned by the applicant throughout the grant conditions period.
- The grant Condition period is 20 years following satisfactory completion of the grant works.
- The Council will reclaim the full amount of the grant in the event of a breach of the Conditions.
- The grant condition will remain as a legal charge on the property throughout the grant condition period.

AWARD POLICY FOR LOAN ACCESS GRANTS

(As from 8th December 2003)

All Loan Access Grants are awarded at the discretion of Swindon Borough Council. It is the intention of the Council that such grants are awarded both fairly and consistently. The following summary of policy gives guidance on their current availability.

Assistance Available

Grants are available to owner-occupiers of property to cover the cost of setting up an equity release loan in respect of the qualifying works listed below. The maximum amount of grant in respect of any one application will be 10% of the value of the loan up to a limit of £1000. Set up costs can include any fees charged by Home Improvement Agency acting on behalf of the applicant in arranging the loan.

Eligible Works

1. Mandatory Disabled Facilities where applicants have to contribute all or part of the cost.
2. Accepted enhancements to schemes of Mandatory Disabled Adaptations.
3. Discretionary Disabled Adaptations.
4. Renovation Grant works where applicants have to contribute all or part of the cost.
5. Other works of repair adaptation or improvement necessary to render dwellings “fit for habitation” OR to achieve the Governments “Decent Homes Standard” OR to remove any unacceptable Housing Health and Safety risks.

Conditions

There are no enduring conditions attached to the award of this form of assistance.

Notes:

Evidence of the costs and purpose of the loan will be required before approval.

AWARD POLICY FOR HOUSES IN MULTIPLE OCCUPATION GRANTS

(as from 8th December 2003)

All Houses in Multiple Occupation Grants are awarded at the discretion of Swindon Borough Council. It is the intention of the Council that such grants are awarded both fairly and consistently. The following summary of policy gives guidance on their current availability.

Grants for Works to an Existing House in Multiple Occupation

Grants are only available in respect of works being required by the Council to improve the Safety, Welfare and Convenience of tenants. The Policy seeks to reward co-operative owners where the cost of these works is substantial. Grants are not available for repairs nor for the cost of establishing new Houses in Multiple Occupation.

Specifically the following award policy applies:-

1. Applications for House in Multiple Occupation grants will be approved only in respect of works necessary to comply with the requirements of a Notice served under Section 377A of the Housing Act 1985.
2. Such grants will be available only where a completed application is submitted to the Council within 8 weeks of the date of the Housing Act Notice to which the grant works relate and /or before a full works Notice is issued under S.352 of the Housing Act 1985. Any application received after that time will normally be refused notwithstanding the continuation of enforcement action to secure the necessary works. (See: Note 1)
3. The amount of grant in each case shall be determined having regard to the qualifying works. A fixed allowance will be awarded in respect of each item.
4. Such grants will not be available in respect of required works having a total eligible expense (cost) of less than £500.
5. The maximum amount of grant that the Council will pay will be the aggregate of £2000 for each letting unit contained within the HMO.

Summary of Grant Condition

- The property must remain available for occupation by tenants throughout the grant condition period.
- The property must remain in the ownership of the applicant throughout the grant condition period.
- The property must be properly maintained and managed throughout the grant condition period.
- The grant condition period is 10 years following satisfactory completion of works.
- The Council will reclaim the full amount of the grant in the event of a breach of these conditions.
- The grant conditions will remain as a legal charge on the property throughout the grant condition period.

Notes:

(1) A completed application must include all necessary documentation to enable the grant to be determined including two acceptable itemised builders estimates, certificate of ownership and certificate of intended letting.

AWARD POLICY FOR HOME REPAIR ASSISTANCE

(As from: 10th October 2003)

All Home Repair Assistance Grants are awarded at the discretion of Swindon Borough Council. It is the intention of the council that such grants are awarded both fairly and consistently. The following policy gives guidance on their current availability.

Grants for Repairs to an Applicant's Home

Home Repair Assistance is available for a wide range of repairs necessary to ensure that an applicants home remains safe and suitable for their continued occupation. In determining what work is eligible the council will have regard to:

- The risk to occupants posed by the homes defective condition.
- The availability of usable amenities and facilities within the home.
- Achieving the Governments "Decent Homes Standard."
- The safety & welfare of the occupant.
- The likelihood of any foreseeable deterioration in conditions that would affect the above.

Grant awards are normally up to a maximum of £3000 although in exceptional circumstances grants of up to £5000 may be awarded. (See notes 1 & 2)

To qualify all applicants must:

- (i) Have lived in their home for a minimum of 3 years preceding the date of the application. AND
- (ii) Be in receipt of an income related benefit.

For applicants in receipt of an income related benefit who are under 60 years and who are not registered or capable of being registered disabled, such grants are only available if their home was constructed before 31st December 1940 (excluding mobile homes) and where the application is in respect of urgent works to remedy:

- (a) Water penetration from defective roofs or flashings.
- (b) Substantial defective timber flooring.
- (d) Substantial rising or other structural dampness.
- (d) Potentially dangerous electrical wiring that requires substantial re-wiring.

**In determining whether the condition of a property warrants the approval of grant funds, regard may be given to the potential / likelihood of the condition worsening – including the anticipated timescale.*

Applications for Home Repair Assistance grants for the **repair of existing fixed heating or hot water systems** will only be considered where the qualifying applicant is over 60 years of age OR where they or any other full time and permanent occupier of the house is registered disabled or capable of being registered disabled. (See note 3)

Home Repair Assistance grants will not normally be provided to fund works of **adaptation** to a disabled applicants home. Such cases will normally be dealt with as Disabled Facilities grants provided that they are supported by Swindon Social Services. In exceptional circumstances however Home Repair Assistance Grants may be provided for small works of adaptation or repair / replacement of previous adaptation work where this is determined to be the most appropriate course of action. (Applicants must meet the usual eligibility criteria.)

***All awards of Home Repair Assistance grant are discretionary and at any time will be subject to the availability of funding.**

Notes:

(1) Where urgent repair works are required which cost above £3,000 applicants would normally be expected to apply for a Renovation Grant. Such grants are means tested to ensure that this type of assistance is directed at those households in most need. In exceptional circumstances Home Repair Assistance grants may be given within this policy for works above £3,000. This however will only be in cases where because of the serious and urgent nature of the works the council consider the household to be at imminent risk and where an unacceptable delay would be incurred by providing assistance in any other way.

(2) Where during the course of carrying out approved works additional unforeseen works become necessary which are closely associated with the specified works, grants may be varied to take into account the additional cost. This shall apply even if the subsequent grant exceeds £3,000.

(3) The Social Services Department is responsible for determining whether a person is capable of being registered under the Chronically Sick & Disabled Persons Act 1970. Proof that an applicant is in receipt of a disability linked benefit may be required as evidence for this purpose. The award of a disabled parking permit in respect of the disabled applicant themselves may also be accepted as sufficient evidence for this purpose.

(4) Subject to the criteria listed above all applications for Home Repair Assistance will be approved without delay as soon as all formalities are completed satisfactorily:

(5) Except in the case of a genuine emergency only one Home Repair Assistance grant will be awarded per year per house / flat / mobile home and there will be a ceiling of £6000 in respect of the same dwelling in any 3 year period.

Appendix E (ii)

AWARD POLICY FOR THERMAL INSULATION GRANTS

(As from: 10th October 2003)

All Thermal Insulation Grants are awarded at the discretion of Swindon Borough Council. It is the intention of the council that such grants are awarded both fairly and consistently. The following policy gives guidance on their current availability.

Grants for Thermal Insulation of an Applicants Home

Thermal Insulation Grants are available for the provision of roof insulation, cavity wall insulation, the insulation of water tanks and draught proofing measures up to a current maximum value of £1,000. To qualify applicants must be either:

- (i) Over 70 years of age. OR
- (ii) Registered or capable of being registered disabled (See note 2) OR
- (iii) In receipt of an income related benefit. OR
- (iii) Parent or legal guardian of a child under the age of 4 living at home.

*Assistance will not be available where the applicants home was constructed after 31st December 1979. (Such homes will normally already be adequately insulated.)

*Assistance will be refused where the applicant appears to qualify for alternative assistance under the Government's New HEES Scheme unless documentary evidence is provided that such assistance has been refused.

*Such grant awards are discretionary and at any time will be subject to the availability of funding.

Notes:

(1) Where during the course of carrying out approved works additional unforeseen works become necessary which are closely associated with the specified works, grants may be varied to take into account the additional cost. This shall apply even if the subsequent grant exceeds £1,000.

(2) The Social Services Department is responsible for determining whether a person is capable of being registered under the Chronically Sick & Disabled Persons Act 1970. Proof that an applicant is in receipt of a disability linked benefit may be required as evidence for this purpose. The award of a disabled parking permit in respect of the disabled applicant themselves may also be accepted as sufficient evidence for this purpose.

(3) Subject to the criteria listed above all applications for Thermal Insulation Grants will be approved without delay as soon as all formalities are completed satisfactorily:

(4) It is expected that Thermal Insulation grants will address all identified deficiencies in insulation and thus achieve adequate levels of home energy efficiency. In normal circumstances therefore only one Thermal Insulation grant will be awarded per dwelling.

(5) The approval of a Thermal Insulation grant will not preclude eligibility for other forms of Housing Renewal Assistance where this is appropriate.

Appendix F

AWARD POLICY FOR EMPTY PROPERTY GRANTS

(As from 8th December 2003)

All Empty Property Grants are awarded at the discretion of Swindon Borough Council. It is the intention of the Council that such grants are awarded both fairly and consistently. The following summary of policy gives guidance on their current availability.

Grants are available towards the cost of refurbishment and in appropriate cases, conversion of empty properties necessary to achieve quality units of self-contained accommodation available for letting. All appropriate costs qualify for assistance but the amount of grant shall be a proportion of this amount (eligible expense) in accordance with the following schemes:

- (a) Where renovation is considered unlikely without the availability of grant assistance:
 - (i) Applicants owning no more than two properties – 50% eligible expense
 - (ii) Applicants owning more than two properties – 40% eligible expense
 - (b) Where renovation is likely irrespective of the availability of grant assistance – 30% eligible expense.
- ❖ In addition a further 20% eligible expense will be made available where the works are urgently required for reasons of public safety or to improve the amenity of the neighbourhood. (See Note 1).
 - ❖ It may be possible to enhance levels of grant by a further 5% of the eligible expense in respect of each additional two years tenant nomination rights provided.
 - ❖ The maximum levels of grant award is £30,000 for single dwellings and the aggregate of £15,000 per dwelling created by schemes of conversion.

The following qualification criteria apply:-

1. Applicants must demonstrate that they have owned the property for a minimum of 12 months preceding the date of the application.
2. Properties must have been vacant for a minimum of 6 months at the time of the application.
3. Qualifying properties must be unfit, in substantial disrepair or otherwise be wholly unsuitable for occupation in their current form.

4. Each scheme will be judged on its merits by the Council and priority will be given to those schemes providing most gain. Factors to be taken into account include:-
 - ✓ Period of vacancy.
 - ✓ Condition.
 - ✓ Detrimental effect on neighbourhood / environment.

 - ✓ Location
 - ✓ Potential for creating needed accommodation.
 - ✓ Likelihood of scheme proceeding without grant assistance.
5. All preliminary consents and permission should have been obtained.
6. Priority will normally be given to refurbishment of existing accommodation over conversion schemes.
7. Renovated properties must meet high standards of repair and meet the Councils standards for space, layout, acoustic separation and thermal efficiency where appropriate.
8. Any self-contained flats created by conversion must have a minimum of two bedrooms
9. Properties can only be considered for grant assistance once all necessary Planning, Building regulation and other consents have been obtained.
10. Owners are required under the grant conditions to accept Council nominated tenants for a minimum of five years following completion of works. This period can be extended by entering into a contractual agreement with the Council in return for which they may receive enhanced levels of grant.
11. Owners will be required to enter into assured short held tenancies with their nominated tenants.
12. Rent levels must not at any time exceed the amount specified by the Rent Officer for housing benefit purposes.
13. An appropriate standard of management is expected and owners will be encouraged to enter into management arrangements with suitable Housing Associations or Letting Agents.

Summary of Grant Conditions

- The property must remain in the ownership of the applicant for 10 years following completion of works.
 - The property must remain available for letting by tenants for 10 years following completion of works.
- The property must be available for Council nominated tenants for a minimum of 5 years following completion of works, at affordable rents.
- The property must be properly maintained and managed throughout the 10 year grant condition period.
- The Council will reclaim the full amount of the grant reduced by one twentieth for each whole year that has elapsed since the certified date of the grant and prior to the breach of grant conditions occurring.
- The grant conditions will remain as a legal charge on the property throughout the Grant Condition Period.

AWARD POLICY FOR RE-HOUSING GRANTS

(As from 8th December 2003)

All Re-Housing Grants are awarded at the discretion of Swindon Borough Council. It is the intention of the Council that such grants are awarded both fairly and consistently. The following policy gives guidance on their current availability.

Purpose of Assistance:

This form of assistance is intended to offer an alternative to carrying our extensive grant funded schemes of work which may not fully meet the needs of occupiers in the following two scenarios.

1. Disabled occupiers requiring major works to their existing home that are impractical or not cost effective to execute. (Alternative to Mandatory DFG).
2. Elderly occupiers living in unimproved or poorly maintained housing that is causing ill health. (Alternative to Renovation Grant).

Such occupiers can be assisted in purchasing and moving to alternative accommodation that better meets their needs.

Extent of Available Assistance

Assistance can cover the following costs:-

- ✓ Necessary additional cost of acquiring housing suitable for the applicant or disabled occupiers needs. (Difference between the purchase price of the new home and the sale price of the applicants existing home.
- ✓ Legal fees incurred by applicant in connection with the sale and purchase of their home.
- ✓ Stamp duty on cost of replacement home,
- ✓ Necessary and appropriate Estate Agents and survey fees.
- ✓ Fees of appropriate agent or other professional advisor (normally a Home Improvement Agency.)
- ✓ Removal costs.
- ✓ Cost of carrying out necessary and consequent adaptation to make the new home suitable for the needs of the disabled occupier.

Costs NOT eligible for Assistance

- ❑ Proportion of purchase price deemed to constitute “betterment” beyond meeting to reasonable needs of the applicant and/or their dependents.
- ❑ Redecoration costs.
- ❑ Provision or cleaning of carpets, soft furnishings etc.
- ❑ Other costs associated with fixtures or appliances.

Limits to the Amount of Grant

The sum of the “Eligible Costs” will be limited to 70% of the estimated eligible expense of carrying out the works which would otherwise have been necessary to enable the applicant (or the disabled occupier) to remain living in their home.

Re-Housing Grants are means tested to determine the applicants affordable contribution towards the “Eligible Costs”. The amount of grant will be the difference between their determined contribution and the accepted “Eligible Costs.”

Prerequisites to Assistance being given

- Applicants must meet the criteria for alternative type of grant assistance.
- Applicants must own their existing home.
- Re-housing must be deemed to be most suitable and cost-effective option.
- Each case must be supported by Social Services.
- The move must fully meet the needs of the applicant or their dependants needs.
- Applicants must be fully aware of the commitment they are taking on.
- Appropriate valuations of both existing and replacement homes will be required.

Summary of Grant Conditions

- The property must remain occupied by the applicant or his immediate family throughout the grant condition period.
- The property must remain in the ownership of the applicant or his immediate family throughout the grant condition period.
- The grant condition period is 20 years following occupation of the replacement home.
- The Council will reclaim the full amount of the grant reduced by one twentieth for each whole year that has elapsed since the certified date of the grant and prior to the breach of grant conditions occurring.
- The grant conditions will remain as a legal charge on the property throughout the Grant Condition Period.