

Housing

Grant and loan policy

August 2018

Teignbridge District Council



This policy states the grant and loan assistance provided by Teignbridge District Council under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

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Aim 1 - Improving the existing housing stock

1.1 Loans for home owners

Purpose

To provide subsidised loans to homeowners

Repair works

- To bring privately owned properties up to decent homes standard or working towards decent homes standard ensuring all Category 1 Hazards are remedied.

Energy Works

- To improve the energy efficiency measures within the home.

Adaptations

- To provide loan assistance where the cost of the works are in excess of £50,000 and no further grant funding is available through mandatory Disabled Facilities Grants (DFG) and Accessible Home's Grants

Park Homes

- To improve the condition of park homes including energy efficient measures.

Gypsy and Travellers

- To assist with the development of gypsy and traveller sites

Eligibility

To qualify the following criteria must be met:

Repair works Energy works and Park homes

- The applicant must own and occupy the property as their sole residence, as their only or principle home.
- The property- owner must be:
 - Vulnerable as defined by a low disposable income (determined by Lendology CIC financial assessment); or
 - Financially excluded from other borrowing.
- The property must have a category 1 hazard or a high scoring category 2 hazard or fail the decent homes standards
- Regarding repair works and energy works - The property must be at least 10 years old or have been provided by conversion for at least 10 years

Adaptations

- The applicant must meet the same criteria as per the mandatory disabled facilities grant

Gypsy and Travellers

- Each case will be dealt with on an individual bases by the Private Sector Housing Team Manager, in consultation with the Executive Member for Housing and Planning.

Eligible works

- Elimination of Category 1 hazards or high scoring Category 2 hazards, working towards decent home standard.
- Energy efficient works where other assistance available does not cover the full cost of the works.
- To carry out adaptations as defined by the requirements of the mandatory DFGs criteria
- To provide energy efficient measures to park homes to include wall, loft and floor insulation as well as efficient heating systems.

Financial arrangements

- Lendology CIC (LCIC) will make an assessment of the household's financial circumstances, the amount and type of loan available will depend on the outcome of this assessment.
- Details of loans are given in the General Terms to all forms of Assistance
- The value of the loan will be determined by the assessment carried out by LCIC to determine affordability as well as ensuring sufficient assets are available to secure the loan. The term of the loan will be determined by LCIC depending on clients' financial circumstances.
- Loans interest rates are subsidised and owners will be advised by LCIC the rate of interest payable which will be fixed throughout the term of the loan.
- This assistance will include payments for professional fees and ancillary costs associated with the application or can be used to supply materials as part of an agreed scheme of works.

Application

An application for a loan will be approved subject to the following: -

- An inspection of the property to determine eligibility for assistance and works necessary.
- A financial assessment of the household circumstances undertaken by LCIC to ensure any loan offered is affordable and responsible.
- Proof of ownership
- 2 estimates for the works
- Satisfactory evidence of all other eligibility criteria

Approval

- Lendology CIC will issue the formal loan agreement on the recommendation of Teignbridge District Council and having regard to financial commitments within the Loan Fund held by LCIC.
- Approvals remain valid for 12 months from the date of approval.
- Approvals will be made within the adopted policy and budgets available at the time of application.
- For loans for gypsy/travellers approval will only be made in exceptional circumstances and must have approval of the Private Sector Housing Team Manager in consultation with the Council's Executive member with responsibility for Housing.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant.

Future occupation conditions

- The loan agreement is between the client and Lendology CIC.
- A Title Restriction at the Land Registry will be registered against the property throughout the repayment term and any outstanding balance on the loan will become repayable in full on disposal of the property, or when the borrower no longer lives in the property, within the loan period.
- Where a Park homes loan is agreed this will be on an unsecured basis.
- Owners must have sufficient equity in their property to cover the agreed loan.

1.2 Stay at home assistance

Purpose

To provide grant assistance to homeowners and tenants with a repairing obligation to bring their properties up to decent homes standard or working towards decent homes standard ensuring all category one hazards are remedied and installing energy efficiency measures.

Eligibility

- Households who have been refused a loan by Lendology Home Improvement Loans because they do not meet the eligibility criteria for a loan.
- The applicants must also meet the following criteria:
 - The applicant must own and occupy the property as their sole residence,
 - The property must fail the decent homes standard
 - The property must be in Council Tax Bands A - D
 - The property must be at least 10 years old or have been provided by conversion for at least 10 years
 - Works must not have commenced
 - The applicants will be subject to a financial test of resources as applied to mandatory Disabled Facilities Grants.

Eligible works

Elimination of Category 1 hazards, working towards decent home standard. □ Energy Efficient works including efficient heating.

Financial arrangements

- All applicants will be subject to the financial means test as applied to mandatory disabled facilities grants.
- Applicants in receipt of passportable benefits as applied to the mandatory disabled facilities grants and Council Tax Support will not be subject to the means test:
- The maximum assistance available for repairs will be £20,000.

- This assistance will include payments for professional fees and ancillary costs associated with the application or can be used to supply materials as part of an agreed scheme of works.

Application

The following information is required:

- Completed application form
- Minimum two estimates
- Proof of income, savings, benefit receipt and evidence of Lendology Home Improvement loan decision.
- Proof of ownership
- Completion of owner occupation certificate stating intention to occupy property for next 20 years.
- Planning and Building Regulation approval, if necessary.
- Consent of owner (if tenanted)

Approvals

- Approval will be valid for 6 months
- Approval will be made within the adopted policy and budgets available at the time of the application.

Payments

- Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant
- If the cost of the works is less than £5,000 only one payment will be made to the contractor. An interim payment can be made if the contractor's costs exceed £5,000 up to 90% of the cost of the works.

Future occupation conditions

- Grants will be subject to a local land charge and will be repayable in full if the property is sold during a 20-year grant condition period.
- The applicant must ensure adequate home insurance cover is provided for the grant condition period.

1.3 Healthy Homes grant

Purpose

To provide urgent/essential repairs to ensure the health, safety and welfare of the owner/occupier.

Eligibility

- An applicant must apply for a loan through LCIC and will only be eligible to apply for this grant if they are not eligible for or the loan is refused.
- Where works are determined to be urgent, as determined by a Private Sector Housing Officer, and under £2,000 then an application to LCIC is not necessary.
- To qualify for this grant the applicant must be 60 years of age or over or vulnerable and in receipt of a passportable benefits as applied to the mandatory disabled facilities grants, Council Tax Support (not single person discount).

Eligible works

Essential repair works, emergency works to remedy a serious hazard, works relating to trips and falls in the home.

Financial arrangements

The maximum grant available is £5000 over a rolling two year period.

Application

The following information is required:

- Completed application form
- Proof of benefit receipt
- Owners consent
- 1 / 2 estimates
- Certificate of intended occupation

Approvals

- Approval will be valid for 6 months
- Approval will be made within the adopted policy and budgets available at the time of the application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant.

Future occupation conditions

The grant is only available for owner occupiers or occupiers with a repairing obligation and will be placed as a local land charge for 5 years.

1.4 Eco top up grant

Purpose

To provide top up funding for energy efficiency measures for applicants as identified through Teignbridge Council's Statement of Intent for EcoFlex funding and ECO top ups (HHCRO) provided by energy providers.

Eligibility

As determined by Teignbridge Council Statement of Intent and eligibility for ECO funding (HHCRO) as stated by the energy provider.

AND

Where one of the residents in the household is in receipt of and in receipt of a passportable benefits as applied to the mandatory disabled facilities grants

Eligible works

As determined by survey carried out by energy provider, local installer, or agent. Will generally include mains gas boiler replacement, loft insulation, cavity wall insulation, non-gas boiler replacements, replacement storage heaters, internal or external wall insulation, room in roof insulation, flat roof insulation

Financial arrangements

- For owner occupiers maximum up to £1,000
- If over £1,000 client may apply for a Lendology loan subject to availability and eligibility.

Application

The following information is required:

- Completed application form
- Owners consent
- 1/2 estimates
- Certificate of intended occupation

Approvals

- Approval will be valid for 6 months
- Approval will be made within the adopted policy and budgets available at the time of the application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client.

Future occupation conditions

The grant is only available for owners and will be placed as a local land charge for 5 years

1.5 Park home energy assistance

Purpose

To assist vulnerable park home residents to provide energy efficient measures within their home

Eligibility

- Been refused a loan by Lendology Home Improvement Loans because they do not meet the eligibility criteria for a loan
- Taken up a loan but there is a shortfall between the amount offered and the recommended scheme cost.
- Are not eligible for any other local or national schemes available at the time of application e.g. ECOFlex etc.

Eligible works

To provide energy efficient measures to park homes to include wall, loft and floor insulation as well as efficient heating systems.

Financial arrangements

The maximum assistance available is £7,000.

Where there is a shortfall of loan assistance the maximum grant/loan assistance available is £10k

Application

The following information is required:

- Completed application form
- Owners consent
- 2/3 estimates

Approvals

- Approval will be valid for 6 months
- Approval will be made within the adopted policy and budgets available at the time of the application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant

Future occupation conditions

None

1.6 Loans for private landlords

Purpose

Single Occupancy units

- To assist private landlords to:
 - Ensure all Category 1 hazards and high scoring Category 2 hazards are eliminated in rented accommodation
 - To improve the energy efficiency measures within the home where other assistance available does not cover the full cost of the works.

Houses in Multiple occupation (HMOs)

- To improve the condition of HMOs (defined by the Housing Act 2004), including fire precautions, Means of Escape, amenities, elimination of Category 1 and high scoring category 2 hazards and improvements to the property.
- To improve the energy efficiency measures within the home where other assistance available does not cover the full cost of the works.

Eligibility

Loan assistance will be made available to private landlords to bring their properties up to the Decent Homes Standard.

To qualify the following criteria must be met:

- The applicant (private landlord) must own and have been letting the property for at least 6 months,
- The applicant must have sufficient disposable income to cover the loan repayments, based on the assessment made by the Lendology CIC.
- Must have sufficient equity available in the property to secure the loan.

Eligible works

- Eliminating all Category 1 hazards and high scoring Category 2 hazards
- To improve the condition of the HMO accommodation (as defined by the Housing Act 2004), including fire precautions, means of escape, amenities and elimination of all category 1 hazards and high scoring category 2 hazards and improvements to the property,
- To provide energy efficient measures to homes to include wall, loft and floor insulation as well as efficient heating systems.

Financial arrangements

The maximum loan assistance available is £20,000 per private landlord (freeholder/leaseholder)

General

- Lendology CIC will make an assessment of the private landlords' financial circumstances to determine the type and amount of loan available.
- Loan limits will be subject to Lendology assessment of affordability to meet repayments and sufficient equity available upon which to secure the loan.
- The term of the loan will be determined by LCIC depending on applicant's financial circumstances.

- Loans interest rates are subsidised and offered on a fixed rate of interest, currently 4%, throughout the term of the loan.

Application

An application for a loan will be approved subject to the following:

- An inspection of the property to identify works required to meet Decent Home Standard □
An initial financial assessment
- Proof of ownership
- Certificate of letting
- A copy of the signed tenancy agreement

Approvals

- Lendology CIC will issue the formal loan agreement, on the recommendation from Teignbridge District Council and having regard to financial commitments within the Loan Fund.
- Approvals remain valid for 12 months from the date of approval.
- Approvals will be made within the adopted policy and budgets available at the time of application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant

Future occupation conditions

- The loan agreement is between the applicant and Lendology CIC.
- A Title Restriction at the Land Registry will be registered against the property throughout the repayment term and any outstanding balance on the loan will become repayable in full on disposal of the property within that period.
- Owners must have sufficient equity in their property to cover the agreed loan.

1.7 Grant assistance for private landlords

Purpose

To carry out repairs to improve safety, energy efficiency and heating in privately rented accommodation.

Eligibility

The property must be occupied by a vulnerable tenant or if currently empty the private landlord must intend to let to a vulnerable tenant

Eligible works

- Elimination of Category 1 hazards, working towards the decent homes standard.

- Energy efficient works to increase EPC rating from EPC rating F or G to meet Minimum Energy Efficiency Standards in conjunction with EcoFlex funding or any future government funded scheme.

Financial arrangements

- For repair work the maximum assistance is £1,000
- For energy works (including heating) the maximum assistance will be up to £500 per property. Where a landlord owns a property that is divided into flats the maximum cumulative grant available will be £1,500. Application

Application

The following information is required:

- Completed application form
- 1/2 estimates for works approved by Teignbridge Council □ Proof that property is occupied by a vulnerable person.
- Completion of certificate of intended letting stating intention to let property at affordable rents for next 12 months.
- Planning and Building Regulation approval, if necessary.
- A copy of tenancy agreement is required from private landlords whose property is occupied (in case of HMOs one agreement is sufficient).

Approvals

- Approval will be valid for 3 months.
- Approval will be made within the adopted policy and budgets available at the time of the application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant.

Future occupation conditions

- The property must be let for 12 months from completion of works at affordable rents. Where the property is unoccupied the referral for this scheme will be made by the Landlord Liaison Officer.
- All installations must be carried out by a Gas Safe registered heating engineer.
- (www.gassaferegister.co.uk).
- Works to be carried out within 6 months from date of approval of application except in exceptional circumstances as agreed by the Council. Aim 2 - Supporting vulnerable people in their own homes.

Aim 2 - Supporting vulnerable people in their own homes

2.1 Disabled facilities grants (DFG's)

Purpose

To carry out repairs to improve safety, energy efficiency and heating in privately rented accommodation.

Eligibility

A DFG is available for works to be carried out to adapt a person's home to meet their need following an assessment by their Occupational Therapist. A person aged eighteen or over shall be considered disabled if:

- they are registered under section 29(1) of the National Assistance Act 1948 (disabled persons' welfare), or
- they are a person for whose welfare arrangements have been made under that provision or, in the opinion of the social services authority, might be made under it.

A person under the age of eighteen shall be considered disabled if:

- they are on a register of disabled children maintained under paragraph 2 of Schedule 2 to the Children Act 1989, or
- they are in the opinion of the social services authority a disabled child as defined for the purposes of Part III of the Children Act 1989 (local authority support for children and their families).

It is open to all tenures, including owner-occupiers, tenants, licensees or occupiers who meet the above criteria are eligible to apply for a DFG.

Eligible works

The eligible works are as detailed in Section 23 Housing Grants, Construction and Regeneration Act 1996 (as amended).

Teignbridge District Council will determine the most reasonable and practical works following recommendations detailed on the Occupational Therapists statement of need.

Financial arrangements

Applicants who are in receipt of the following passporting benefits will receive 100% grant (up to the grant maximum)

- Income Support
- Income related Employment and Support Allowance (**not** contribution-based ESA)
- Income Based Jobseeker's Allowance (**not** contribution- based JSA)
- Guaranteed Pension Credit (**not** Saving pensions Credit alone)
- Housing Benefit
- Working Tax Credit and/or Child Tax Credit (with an income less than £15,050) □ Council Tax support scheme

- Universal Credit

If the applicant is not in receipt of a qualifying benefit a means test will be required

This will establish whether the applicant is required to make a contribution towards the cost of eligible works.

The means test does not apply to the parents of disabled children – disabled children qualify for 100% grant up to the maximum mandatory grant.

The maximum mandatory grant is **£30,000** Application

Application

The following information is required:

- Completed application form for DFG
- 2 estimates for the costs of the works unless using an agreed framework or very specialist works
- Proof of full financial circumstances including income and savings, proof of benefit receipt.
- Evidence of ownership of the property or the right to reside at the property
- Consent of all those having an owners interest in the property where adaptations are to take place.
- The disabled person must intend to occupy the property as their only or main residence for a period of five years after the works are complete (or such shorter period as the person's health or other relevant circumstances permit).
- Planning and Building Regulation approval, if necessary.

Approvals

- Only the works agreed by the council will be covered by the grant. Payments
- Approval will be valid for 12 months from the date on the approval document.
- The works must be completed by the contractor stated on the approval document unless agreement is obtained from the Council for an alternative contractor to be used.
- No grant works should proceed until the grant application has been processed and all relevant planning, Building Regulation or landlord approval has been obtained.
- The contract for the works is the responsibility of the applicant.
- Where the cost of the work exceeds the mandatory grant limit of £30,000 the applicant may be eligible to apply for the **Accessible Homes Grant** subject to available funds.
- Approval will be valid for 12 months from the date on the approval document

Payments

- Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant. If the applicant has a contribution towards the cost of works they are responsible for paying this directly to the contractor.
- Unforeseen and additional costs will only be paid for where they are necessary to complete the adaptation and must be agreed by the council before they are undertaken.
- Any increase in the grant may have an impact on the charge placed against the property.

- If the cost of the works is in excess of £5,000 an interim payment can be made up to
- 90% on receipt of satisfactory invoices and the work being carried out satisfactorily

Future occupation conditions

Applicants who are successful in their application for assistance will be required to maintain the adaptation.

Owner occupiers will have a local land charge placed on their property on completion of the grant. If the property is sold, assigned or transferred within 10 years of the grant being completed then the grant may have to be repaid. The council will have regard to *The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grants (Conditions relating to approval or payment of Grant) General Consent 2008* when deciding whether to demand repayment. The charge only applies where the grant is more than £5,000. Where the grant is more than £5,000 only the amount over the first £5,000 is added as a charge. There is a charge limit of £10,000.

Recovery of specialist equipment - where the grant has involved the installation of specialist equipment e.g. stair lift, through-floor lift or portable accommodation a condition will apply that the applicant shall notify the authority if and as soon as the equipment is no longer needed. The Council **may** arrange for the recovery of the equipment, if appropriate.

2.3 Accessible Homes Grant – top up funding

Purpose

The Accessible Homes Grant enables an enhanced offer in addition to the mandatory Disabled Facilities Grant subject to available funding.

- This grant is available in the following circumstances:
- Where a mandatory grant has been approved but the cost of the work exceeds £30,000
- Where there are works that may not be covered by the DFG in relation to adapting the home and making it safe.
- Where the means test identifies that a contribution is required.

Eligibility

- To be eligible for this grant the applicant must meet the following:
- The applicant must have applied for and be eligible for the mandatory DFG first before the discretionary grant can be considered.
- All applicants are subject to a means test including the parents and/or guardians of a disabled child. Adult clients will have been means tested as part of the formal DFG application. In the case of a child's application the means test will be applied to the parents or guardians of the disabled child before an application for a discretionary grant can be made.
- An applicant will only be eligible to apply for additional grant to cover any identified contribution where the amount the client has to pay represents at least a third or more of the applicant's savings.

Eligible Works

The council will only offer grant for those works that are considered mandatory to meet the needs of the disabled person, as detailed in Section 23 Housing Grants, Construction and Regeneration Act 1996 (as amended)

Financial Arrangements

A means test will be carried out as per the Disabled Facilities Grant financial means test.

- The maximum assistance will be £20,000. Anything over £20,000 will not attract any further public grant.
- Where additional funding is required to cover either a contribution or the cost of works over £50,000 (£30,000 from the Disabled Facilities Grant and £20,000 from the Accessible Homes Grant), then a Home Improvement Loan application can be made via Lendology CIC.

Application

- The DFG application, proof of ownership, consent and intention to occupy paperwork will be used to assist the applicant in making an application for this grant.
- Planning and Building Regulation approval, if necessary.
- If the applicant has any further contribution to pay they must ensure they have the money to cover their share of the costs before the work begins on site.

Approvals

- Only the works agreed by the council will be covered by the grant.
- Approval will be valid for 12 months from the date on the approval document.
- The works must be completed by the contractor stated on the approval document unless agreement is obtained from the Council for an alternative contractor to be used.
- No grant works should proceed until the grant application has been processed and all relevant Planning, Building Regulation and/or landlord approval has been obtained.
- The contract for the works is the responsibility of the applicant

Payments

- Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant. If the applicant has a contribution towards the cost of works they are responsible for paying this directly to the contractor.
- Unforeseen and additional costs will only be paid for where they are necessary to complete the adaptation and must be agreed by the council before they are undertaken.
- Any increase in the grant may have an impact on the charge placed against the property.

Future Occupation Conditions

Applicants who are successful in their application for assistance will be required to maintain the adaptation when any manufacturers/installers warranties expire.

Owner occupiers will have a local land charge placed on their property on completion of the grant. If the property is sold, assigned or transferred within 10 years of the grant being completed then the grant may have to be repaid

Recovery of specialist equipment - where the grant has involved the installation of specialist equipment e.g. stair lift, through-floor lift or portable accommodation a condition will apply that the applicant shall notify the authority if and as soon as the equipment is no longer needed. The Council may arrange for the recovery of the equipment if appropriate.

2.4 Accessible Homes Grant – Move on

Purpose

This grant may be available to assist a disabled person to move to more suitable accommodation subject to available funding.

Eligibility

An applicant will be eligible for this grant where:

- The applicant meets the eligibility criteria for a DFG.
- Where the Occupational Therapist and/or the Council consider re-housing to be more appropriate than adapting the existing accommodation.
- To be eligible for this grant the total cost incurred in the eligible 'moving on' expenses and any estimated eligible adaptation costs at the 'new' property should not be greater than the cost of adapting the applicant's current home.
- The 'new' property shall in the opinion of the Council provide a long term, sustainable home for the person for whose benefit the works are required.
- If the property is within a neighbouring authority covered by this policy then the new authority will need to ensure the new property is suitable. This should also be agreed with the occupational therapist. The applicant must ensure that the relevant council's officers and Occupational Therapist have been consulted.

In determining the 'reasonable expenses' regard shall be had to the following criteria:

- The cost of the eligible works at the applicants existing property are not deemed reasonable, or;
- The eligible works at the applicants existing home are not technically feasible, or;
- The adaptation of the applicants existing property does not provide a sustainable, long term solution for their housing needs.

Eligible works

Owner Occupier- the expenses that can attract grant under this section may include the cost of:

- Any arrangement fee charged by a lender to cover the formation of a mortgage.
- Conveyancing fees.
- Land Registry Fee
- Local Authority Searches
- Stamp Duty
- Valuation, Homebuyers or Full Structural Survey

- Professional or other removal costs
- Estate Agent Commission.

Tenant - the expenses that can attract grant under this section may include the cost of:

- Letting agent fees
- Rent deposit
- Professional or other removal fees

Financial arrangements

Owner Occupier

- The maximum grant payable for eligible expenses is £10,000.

Tenant

- The maximum grant payable for eligible expenses is £5,000.

Application

- Completed application form
- Details of costs for moving
- Statement from the Occupational Therapist confirming that the client's needs cannot be met within the existing dwelling
- Confirmation from a Teignbridge District Council Officer that the property is unsuitable for adaptation.
- The proposed property requires minimal adaptation.
- When moving to rented accommodation the applicant must obtain permission from the landlord for any adaptations to be carried out before the grant will be paid.
- To qualify for this grant the applicant must have been resident in the property for at least 2 years prior to making an application to move.
- The applicant must agree to live in the property as their only or main residence for a period of 5 years (or such shorter period as the person's health or other relevant circumstances permit).

Approvals

Approval will be made within the adopted policy and budgets available at the time of the application

Payments

Payment will be made directly to the applicant on the production of valid receipted invoices on completion of the sale of the property.

Future occupation conditions

Grant assistance is only payable to an owner occupier upon the successful completion of the purchase of the 'new' property and the disabled person then occupying that property as their only and main residence.

For owner occupiers a local land charge will be placed against the property for a period of 5 years.

Aim 3 - Making best use of existing housing

3.1 Conversion loan (capital and interest repayment)

Purpose

To provide a subsidised loan to increase the housing stock available for letting through the conversion of both residential and non-residential buildings in areas of high housing need.

It would include properties where the owner wishes to convert the property but remain living in one of the converted units of accommodation.

Eligibility

Loan assistance will be made available to owners to convert their property to provide additional dwelling units for letting at affordable rents (Local Housing Allowance Rates). The applicant must:

- Own the property,
- Have sufficient disposable income to cover the loan repayments, based on the assessment made by the Lendology CIC
- Have sufficient equity available in the property to secure the loan. □ The property must be located in an area of housing need

Eligible Works

To convert property to provide additional dwelling and to ensure compliance with the decent homes standard.

Financial arrangements

Lendology CIC will make an assessment of the owners' financial circumstances to determine the type and amount of loan available.

A minimum loan of £1000 and a maximum of £15,000 per unit of accommodation created.

Loan limits will be subject to LCIC assessment of affordability to meet repayments and sufficient equity available upon which to secure the loan.

Loans interest rates are subsidised and offered on a fixed rate of interest, currently 4%, throughout the term of the loan.

Application

An application for a loan may be approved subject to the following:

- An inspection to determine the works required for the conversion of the property and to meet decent homes standards
- A financial assessment – Lendology CIC
- Proof of ownership
- 2/3 estimates for the works
- Planning Permission and full Building Regulations

- A certificate of letting to be signed by all persons having an interest in the dwelling stating that the property will be let to persons nominated by Housing Options within 2 months of the completion of the works and throughout the period of the loan

Approvals

Lendology CIC will issue the formal loan agreement, on the recommendation of Teignbridge District Council and having regard to financial commitments within the Loan Fund.

Approvals remain valid for 12 months from the date of approval.

Approvals will be made within the adopted policy and budgets available at the time of application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant

Future occupation conditions

The loan agreement is between the applicant and Lendology CIC

Title Restriction at Land Registry will be registered against the property throughout the repayment term and any outstanding balance on the loan will become repayable in full on the disposal of the property within that period.

Owners must have sufficient equity in their property to cover the agreed loan.

3.2 Empty homes loans (capital and interest repayment)

Purpose

To make best use of the existing housing stock by encouraging owners of empty properties to bring them up to standard and/or installing energy efficiency measures including renewable technologies where appropriate so that they are suitable for letting or for owner or a member of their family to move into or to sell

Eligibility

Where the property is to be let the property must be located in an area of housing need. Where the property has been empty for less than 6 months approval must be given by Private Sector Housing Manager.

Eligible works

- Elimination of Category 1 hazards and high scoring Category 2 hazards.
- Energy efficient works including efficient heating.

Financial arrangements

Loan limits will be subject to assessment by Lendology CIC to establish affordability in terms of repayments and to ensure sufficient equity available upon which to secure the loan.

All loans agreed will be capital repayment terms only.

Loans interest rates are subsidised and offered on a fixed rate of interest, currently 4%, throughout the term of the loan.

The minimum loan available will be £1,000 with a maximum loan of £20,000.

This assistance may include payments for professional fees and ancillary costs associated with the application or can be used to supply materials as part of an agreed scheme of works.

Application

An application for a loan will be subject to the following:

- An inspection to determine the works required
- An financial assessment by Lendology CIC
- Any necessary building regulation and planning approvals
- A certificate of letting to be signed by all persons having an interest in the dwelling stating that the property will be let within 2 months of the completion of the works and throughout the period of the loan

Approvals

Lendology CIC will issue the formal loan agreement, on the recommendation from Teignbridge District Council and having regard to financial commitments within the Loan Fund held by Lendology CIC.

Approvals remain valid for 12 months from the date of approval. If works are not completed then the loan agreement will be cancelled.

Approvals will be made within the adopted policy and budgets available at the time of application.

The owner must have obtained all necessary consents.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant.

Future occupation conditions

Where the property is let property must be let within 2 months of completion of works and must be let at affordable rents.

Where the property is to be sold it must be actively marketed within 2 months of completion of the works.

The loan agreement is between the applicant and Lendology CIC

A Title Restriction at Land Registry will be registered against the property throughout the repayment term and any outstanding balance on the loan will become repayable in full on disposal of the property within that period.

Owners must have sufficient equity in their property to cover the agreed loan.

3.3 Empty homes grant

Purpose

To provide grant assistance to owners of empty homes to bring their properties up to decent homes standard ensuring all category one hazards are remedied and installing energy efficiency measures.

Eligibility

Owners must have:

- Been refused a loan by Lendology CIC because they are unable to afford a low cost loan or
- Taken up a Lendology loan but there is a shortfall between the amount offered and the recommended scheme costs.
- Where unforeseen works take the cost of the works over the loan limit.

The property must be located in an area of housing need

Eligible works

Works to bring the property up to decent homes standards ensuring all Category 1 hazards and high scoring Category 2 hazards are eliminated.

Energy efficient works including insulation, efficient heating and renewable energy products

Financial arrangements

Up to a maximum of £15,000 per property

Application

The following information is required:

- Completed application form
- At least two estimates for the costs of the works
- Proof of ownership
- Completion of Certificate of intended letting stating intention to let property for the period of nomination rights.
- Planning and Building Regulation approval, if necessary.

Approvals

Approval will be valid for 6 months

Approval will be made within the adopted policy and budgets available at the time of the application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant

Future occupation conditions

The Council will require nomination rights as follows,

- Grant aid
- <£5,000 2 years
- £5,001 to £10,000 4 years £10,001 to £15,000 6 years

and for the property to be let at affordable rents

Grants will be subject to a local land charge and will be repayable in full if the property is sold during the grant condition period up to six years.

The applicant must ensure adequate home insurance cover is provided for the grant condition period

3.4 Empty property minor works assistance

Purpose

To assist owners towards the cost of bring an empty home back into use.

Eligibility

To assist the owners of empty homes, who are vulnerable to carry out essential work in order to sell/let the property to enable it to be brought back into use.

Eligible works

Maintenance work to the property to enable it to be sold/let. This could include, clearance of property, minor repairs works to ensure the property is either in a saleable condition or able to be let.

Financial arrangements

Maximum grant £2,500

Owner of property to be means tested as per disabled facilities grant means test.

Application

- Completed application form for minor works empty homes grants
- 1 / 2 estimates for the costs of the works
- Proof of financial circumstances including income, savings, benefit receipt for purposes of means test
- Proof of ownership
- Certificate of intention to sell/let

Approvals

Approval will be for 3 months

Approval will be made within the adopted policy and budgets available at the time of the application.

Payments

Following inspection of the completed works, and confirmation that the works are completed to a satisfactory standard, receipt of invoices, relevant certificates/warranties and approval from the client, payment can be made to the contractor or applicant, as agreed by the applicant

Future occupation conditions

The owner must sign a certificate to say that it is their intention to sell the property which must be actively marketed within 2 months of completion of the works.

Where it is the intention of the owner to let the property then it must be let at affordable rents within 2 months of completion of works.

Grants will be subject to a local land charge and will be repayable in full if the property is sold during a 5 year grant condition period.

3.5 Partnership grants

Purpose

To enable short term grants to be identified and carried out based on identified need and in line with the Housing and Private Sector Housing Strategy e.g. to replace inefficient boilers in vulnerable households, incentives to install micro generation technology eg solar panels, air source heat pumps etc.

Eligibility

To be determined based on a specific project

Eligible works

To be determined based on a specific project

Financial arrangements

Maximum up to £5,000 but determined for each specific project and within budgets available at the time.

Application

To be determined based on a specific project

Approvals

Short term projects to be agreed by the Private Sector Housing Manager, in consultation with the Council's Executive Member with responsibility for Housing and to meet objectives in the Council Plan and/or Housing Strategy.

Approval will be made dependant on the budgets available at the time.

Payments

To be determined based on a specific project

Future occupation conditions

To be determined based on a specific project

3.6 General term for all forms of assistance

Definition of decent homes standard

This is a government standard and for a dwelling to be considered 'decent' it must:

- Be free of serious hazards
- Be in a reasonable state of repair
- Have reasonably modern facilities and services
- Provide a reasonable degree of thermal comfort

For further information on the Decent Homes Standard please look at the government website www.gov.uk/government/publications

Definition of HHSRS Category 1 & Category 2 hazards

Category 1 Hazards determined in accordance with guidance under the Housing Act 2004

A Category 1 Hazard is determined by a careful assessment of risk. It is based on the likelihood of someone needing medical treatment over a given period, coupled with the type of harm or injury sustained. The resulting score is calculated using a formula which has been developed from statistical evidence gathered from Hospitals, GP Surgeries etc. of reported accidents and illnesses caused by the home environment. The most serious hazards are Category 1 (within which there are three banding levels) less serious hazards are Category 2.

Essential repair works

Essential repair works includes the repair of for example leaking roofs/rain water goods, defective standard amenities, defective windows/external doors, defective heating systems, safety and security deficiencies, other matters subject to the agreement of the Team Leader.

Definition of Vulnerable household

Vulnerable households (unless defined elsewhere) are those where members living in the household are either

- in receipt of a means tested or long term disability benefit; or
- aged 60 years or over or
- have a child aged less than 18 years

Planning and Building Regulation approval

All properties, where financial assistance is provided, must have relevant planning permission (including listed building consent), permitted development rights and where appropriate building regulations.

Waiver on conditions

It is the Council's policy to reclaim grant monies in all circumstances of a relevant disposal. However, conditions may be waived where there is a relevant disposal at the discretion of the

Private Sector Housing Manager in exceptional circumstances and having regard to the individual circumstances.

Compliance checks will be carried out by the Council to ensure that all grant conditions are complied with.

Appeals

An appeal against a decision made in respect of assistance can be made, in writing, which will be considered by Private Sector Housing Manager, in consultation with the Council's Executive Member with responsibility for Housing.

Exceptional circumstances

Where it is considered that there are exceptional circumstances, as determined by the

Private Sector Housing Manager, in consultation with the Council's Executive Member with responsibility for Housing which warrant consideration outside this policy, an application may be made, as appropriate.

Local land charge and title restriction

Where policy conditions state that a local land charge or Title Restriction will be registered against the property, this means that when local searches are undertaken by a solicitor prior to the purchase of a property or perhaps a re-mortgage, this condition will be flagged up and will need to be cleared by the owner before the sale of a property. In most circumstances this charge is only removed if the grant or loan is repaid in full.

Affordable rent levels

To be determined by Private Sector Housing Manager, in consultation with the Council's Executive Member with responsibility for Housing

Changes to passporting or eligibility benefits

When changes to Welfare Benefit are implemented, the Private Sector Housing Manager will determine the changes to the policy, as appropriate.

Charging policy

The Council will charge a standard administration fee of £32 (subject to annual increase) for the retrieval and the production of grant documents and records required by clients in response for proof of works requested by solicitors or other professional services.

Grant fee and charges

Where the Council provide an agency services to clients a fee of 5% **may** be charged.

A fee of £13 will be charged to confirm details of ownership through a land registry search.

In addition to the actual costs of carrying out works of improvement or repair, other charges necessarily incurred in undertaking grant-aided works are also eligible for grant assistance. These include:

- Architects' fees (12% of eligible expenses plus VAT) please see "Architect Fees"
- Certain legal fees
- Surveyors' fees
- Charges for planning permission or building regulations approvals.
- Charges made to cover electrical, gas, asbestos etc safety checks
- Only reasonable and necessary fees and charges will be included as eligible works up to the maximum assistance available

Architect fees

Architectural Fees may be considered for the following scheduled works under the above provisions:-

- Extensions
- Houses in Multiple Occupation
- Any work which is structural in nature
- Major refurbishment where various trades are co-ordinated/in operation on site.

Agents must discuss any proposed involvement with this department before undertaking any work. Where a professional firm is engaged to provide building or surveying services in connection with the grant application, payment of these costs remain entirely the applicant's responsibility irrespective of whether such costs are to be met from grant or loan, in whole part.

The fee scale will be as tabled in the eligible expense excluding VAT. This will include disbursements and expensed but not VAT.

- Stage 1 1.5%
- Stages 1+2 6.5%
- Stages 1-3 10%
- Stages 1-4 11%
- Stages 1-5 12%

Stage definition

1. Preliminary

- Discussion with client, site appraisal, advice to client re consultants, timetable and fee costs

2. Design & Drawings

- Scheme design, applications for planning and building regulations, detailed plans

3. Production information

- Schedules of works, specifications, bills of quantities, preparation for tender

4. Tendering and contract advice

- Advise client re tender list, appraise tenders for a price negotiations, advise client on contractor appointment and contract details and responsibilities. Prepare contract and arrange signature of exchange

5. Final

- Administer contract on site, carry out works in progress visits, make periodic financial reports, and prepare interim certificates. Supervise completion on site. Advise client on maintenance drainage etc. Prepare Final certificate.

Loan types

All Loan Schemes Offer from Lendology CIC (LCIC)

Lendology CIC will complete a financial assessment of each applicant to determine the loan type/term/period. LCIC are authorised and regulated by the Financial Conduct Authority and loans will only be offered if they are affordable and responsible for the applicant.

A fee of £50 is payable to cover Land Registry Costs at the time of formal application.

LCIC have a variety of loan products which include;

- Capital Repayment Loan
- Interest Only Loan
- Interest Roll Up Loan
- Interest Only Converting to Capital Repayment
- Interest Roll Up Converting to Capital Repayment
- Fixed Fee Loans.

The type of loan and loan period will be determined by Lendology CIC

Applicants can make overpayments or early repayment in full, on any LCIC Loan without penalty.

Complaints

If an applicant is dissatisfied with the Council then they can make a complaint to the Council using the Council's complaint procedure. www.teignbridge.gov.uk/commentsandcomplaints

Provision relating to the death of an applicant

Where the applicant dies after liability has been incurred for any preliminary or ancillary charges or the relevant works have begun, the council may, if they think fit, pay assistance in respect of some or all of the works carried out.

Further details

If you need this information in another format please contact us

Housing Services
Forde House
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Newton Abbot
Devon
TQ12 4XX
Tel: 01626 361 101

housing@teignbridge.gov.uk
www.teignbridge.gov.uk/housing



210607 Version 7