

PORTSMOUTH CITY COUNCIL

HOUSING RENEWALS - FINANCIAL ASSISTANCE POLICY 2006

ASSISTANCE PACKAGES AVAILABLE FROM 1 APRIL 2008

HELPING PEOPLE MAINTAIN THEIR INDEPENDENCE AND ABILITY TO REMAIN IN THEIR HOME

MANDATORY GRANTS

DISABLED FACILITIES GRANTS

Mandatory disabled facilities grants are available to help applicants meet the cost of adaptations to a disabled person's home. The council are required to ascertain that the works are necessary and appropriate also that they are reasonable and practicable.

a) Scope of works-

Works that fall within the following headings can be considered for mandatory disabled facilities grant-

- Adaptations to aid access into and around the dwelling
- Ensuring the safety of a disabled person
- Provision of suitable bathroom facilities, sleeping facilities, heating and access to lighting and power
- Provision of suitable kitchen facilities or adaptation of existing
- Adaptation to enable the disabled person to care for dependent residents

Where more than one solution meets the needs of the disabled person, the Council will only grant assist the most cost effective option.

b) Eligibility-

Applications can be considered from a;

- Home Owner or private sector tenant who is disabled.
- Disabled person living at home with family.

- Parent or Guardian of disabled child

All applications must be supported by a referral from a Social Services Occupational Therapist.

c) Conditions-

All applications are subject to the standard test of resources, which assess the means of the disabled person (and partner). The test calculates the amount the applicant has to contribute to the cost of the works. If the disabled person is under 18 the test is not applied.

The maximum grant available is currently £25,000

If the disabled person has contributed to a disabled facilities grant within the last ten years (five years for a tenant) their contribution will be reduced by any previous contributions.

Note: These provisions are the subject of circular advice and can be varied by DCLG

DISCRETIONARY ASSISTANCE

Note: All the assistance packages detailed in the following section are discretionary and as such are subject to funds being available. For this reason the provision of this assistance may be limited or discontinued at any time.

DISABLED FACILITIES ASSISTANCE

This assistance is available to help meet the cost of adaptations to a disabled person's home or applicant's contribution towards a disabled facilities grant. This assistance will take the form of an interest free loan.

a) Scope of works-

Examples of work that can be considered for this assistance are;

- Suitable alternative options to those offered under a disabled facilities grant,
- Provision of specialist treatment facilities
- Provision of a safe play area.
- Adaptations to help a disabled person work from home

- Relocation to more suitable premises where this is the most cost effective solution

b) Eligibility-

Applications can be considered from a;

- Home Owner who is disabled.
- Home Owner who has a Disabled person living at with them.
- Home Owner who is Parent or Guardian of disabled child

All applications must be supported by a referral by a Social Services Occupational Therapist.

c) Conditions-

The maximum available assistance is currently £30,000

The amount of the loan provided by the local authority will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

DISABLED PERSONS EQUIPMENT REPLACEMENT ASSISTANCE

A means tested assistance package is available to replace obsolete or defective equipment.

a) Scope of works-

This could include the replacement of

- Stair lifts
- Shower units

b) Eligibility-

Applications can be considered from a;

- Home Owner or private sector tenant who is disabled.
- Disabled person living at home with family.
- Parent or Guardian of disabled child living at home with family.

All applications must be supported by a referral by Social Services Occupational Therapist.

c) Conditions-

The maximum grant available is £5,000

All applications are subject to the standard test of resources, which assess the means of the disabled person (and partner). If the disabled person is under 18 the test is applied to their parent or guardian. The test calculates the amount the applicant has to contribute to the cost of the works. This contribution may be funded by means of a loan.

The grant element will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

The amount of any loan provided by the Local Authority in addition to the grant will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

PALLIATIVE CARE ASSISTANCE

A grant to fund the installation of a stairlift

a) Scope of works-

The provision of second hand, reconditioned stair lifts from stock.

b) Eligibility-

Applications can be considered from a;

- Home Owner or private sector tenant who is in palliative care
- Disabled person living at home with family.
- Parent or Guardian of disabled child in palliative care living at home with family.

All applications must be supported by a referral by a Social Services Occupational Therapist.

HELPING RESIDENTS ACHIEVE BETTER HOUSING

Note: All the assistance packages detailed in the following section are discretionary and as such are subject to funds being available. For this reason the provision of this assistance may be limited or discontinued at any time.

DECENT HOMES ASSISTANCE

A means tested package of assistance is available to enable vulnerable residents improve their property to meet the decent homes standard. This assistance will be part grant and part equity contribution.

a) Scope of works-

Work to meet the Decent Homes Standard elements

- i. Housing Health & Safety Rating System
- ii. Repair
- iii. Amenities
- iv. Thermal Comfort

b) Eligibility-

The applicant must be over 18 and the Homeowner

Be in one of the defined vulnerable groups. (see general conditions)

The applicant must have resided in the property for at least three years prior to the application

- Discretion to waive requirement on specific grounds delegated to Executive Member for Housing. In cases where an owner of a property, in a condition likely to effect the health, safety and welfare of the occupants, fails to meet the three year prior qualifying period, and the subsequent lack of grant assistance would cause undue financial hardship or lead to the household remaining in those conditions, the authority exercises its discretion to waive the three year rule.

c) Conditions-

Generally decent homes assistance will only be available for dwellings that have been in existence for 30 years from the date of building or conversion in respect of converted flats. This period is reduced to 10 years for thermal comfort elements.

The maximum grant assistance payable by the Local Authority is normally £15,000. Any assistance in excess of this amount will need approval from the Executive Member for Housing.

The grant portion of the assistance will be up to 70% of the total cost of the works in any area. As indicated above this grant will be subject to the standard test of resources and the applicant may have to contribute towards this figure.

The level of contribution from the applicant will be a combination of a contribution based on the level of equity in the property and a possible contribution following the outcome of the standard test of resources as applied to the grant portion of the assistance. The applicant's contribution may be provided by means of a loan. (See general conditions).

The grant element will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

The amount of any loan provided by the Local Authority in addition to the grant will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

RENOVATION ASSISTANCE

A means tested package of assistance is available to help homeowners address unfitness and improve their property to meet the decent home standard. This assistance will be part grant and part equity contribution.

a) Scope of works-

Generally

- Works to address unfitness as defined by local policy formerly Section 604 of the Housing Act 1985

In targeted schemes e.g. Action Areas, Improvement & Regeneration Areas and other proactive campaigns;

- Works to address unfitness as defined by local policy formerly Section 604 of the Housing Act 1985
- Works to meet the Decent Homes Standard elements
- Works to address disrepair

- Energy efficiency measures, to include affordable warmth package in appropriate cases.

b) Eligibility-

The applicant must be over 18 and the Homeowner

The applicant must have resided in the property for at least three years prior to the application

- Discretion to waive requirement on specific grounds delegated to Executive Member for Housing. In cases where an owner of an inherently unfit property fails to meet the three year prior qualifying period, and the subsequent lack of grant assistance would cause undue financial hardship or lead to the household remaining in unfit conditions, the authority exercises its discretion to waive the three year rule.

c) Conditions-

Generally renovation assistance will only be available for dwellings that have been in existence for 30 years from the date of building or conversion in respect of converted flats.

The level of contribution from the applicant will be a combination of a contribution based on the level of equity in the property and a possible contribution following the outcome of the standard test of resources as applied to the remaining grant portion of the assistance. (See general conditions).

The grant portion of the assistance will be up to 70% of the total cost of the works in targeted schemes or 60% of the total cost of the works in any other area. As indicated above this grant will be subject to the standard test of resources and the applicant may have to contribute towards this figure.

The remaining amount that may be required to be funded by the applicant will be assessed taking into consideration the level of equity in the property. The applicant's contribution can be made by way of a loan.

The maximum grant assistance payable by the Local Authority is normally £15,000. Any assistance in excess of this amount will need approval from the Executive Member for Housing.

The grant element will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

The amount of any loan provided by the Local Authority in addition to the grant will be secured by way of a legal charge on the property and registered as a

land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

FACELIFT

An assistance package in the form of an agreement whereby the council funds the cost of the necessary work to the external parts of the property by way of a grant on condition that the householder brings the interior up to the decent homes standard within five years.

a) Scope of work-

- Exterior- Repair or renewal of the external elements of the property including roof, firewalls, rainwater goods, walls, windows, doors, etc.
- Interior - Repair, provision or renewal of internal elements of the property including kitchen and bathroom fittings, heating, electrical wiring, surface finishes, treatment of damp, etc.
- An equity loan may be available to enable the work to the interior to be carried out in conjunction with the exterior

b) Eligibility-

The applicant must be over 18 and the Homeowner.

The applicant must be resident in an area being targeted proactively by the council

The applicant must have resided in the property for at least three years prior to the application

- Exemption from residency rule in Action Areas and Improvement & Regeneration Areas where applicants were residents in an area prior to launch of the initiative.

c) Conditions-

The amount of the grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

If the applicant does not complete the specified works to the interior within the five year period the amount of grant paid will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

Loan assistance may be available to enable the works to the interior to be completed at the same time as the exterior.

The amount of any loan provided by the Local Authority in addition to the grant will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

AFFORDABLE WARMTH ASSISTANCE

A means tested package is available to help homeowners provide adequate heating and energy saving measures.

a) Scope of work-

- Provision of highly efficient heating systems
- Roof insulation
- Low energy light bulbs

b) Eligibility-

The applicant must be a resident Homeowner who is over 60, or disabled, or has one or more children under 16.

The property must lack a central heating system

The applicant must have resided in the property for at least three years prior to the application

c) Conditions-

The applicant will be subject to the standard test of resources that will indicate the level of contribution to be met by the applicant. This contribution may be funded by means of a loan.

The grant element will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

The amount of any loan provided by the Local Authority in addition to the grant will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

HOME REPAIRS ASSISTANCE

This is a grant of up to £3000 to help low income households (in receipt of a qualifying benefit) with work affecting the health and safety of the occupants. Additional small-scale repairs and improvements affecting the comfort and security of older persons will be considered.

a) Scope of works-

At the discretion of the Council home repair assistance may be available to help remedy what the council considers the most significant health and safety risks from the following;

- Electrical rewiring or repairs
- Repair/replacement of a means of providing hot water or heating
- Repair/ replacement of windows liable to collapse or fall out
- Repair/ replacement of ceilings liable to collapse
- Repair/ replacement of floor liable to collapse
- Treatment of significant rising or penetrating damp

Where works are beyond the scope of this type of assistance applicants will be encouraged to apply for decent homes assistance or renovation assistance.

b) Eligibility-

Applications can be considered from any resident homeowner over 18 years old in receipt of a qualifying benefit such as;

- Council Tax Benefit
- Income Support or Income based Job Seekers Allowance
- Disabled Persons Tax Credit

c) Conditions-

Grants are limited to £3,000 on any application no further grant within three years of completion of previous grant.

The grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

This assistance will take the form of a loan for vulnerable people who would otherwise be excluded because of the Council Tax banding of their property (band E or above)

The amount of the loan provided by the local authority under this scheme will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

HOME ENERGY ASSISTANCE

A grant of up to £5000 is available to help low-income households address fuel poverty.

a) Scope of works-

At the discretion of the Council home energy assistance may be available to help address what the council considers the most significant factor leading to fuel poverty. The work may include the following

- Provision of highly efficient heating systems
- Upgrade heating controls and management systems
- Roof insulation
- Tank and pipe lagging
- Low energy light bulbs

b) Eligibility-

Applications can be considered from

- Resident homeowners, over 18 years old, who are in fuel poverty
- Private sector tenants over 18 years old who are in fuel poverty.

This assistance will only be granted to properties that have an energy rating below the affordable warmth index. The calculation of this figure is based on the Energy Rating of the property and the income of the occupier.

c) Conditions-

Grant limited to £5,000 on any application. No further grant within three years of completion of previous grant.

The grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

WARMFRONT TOP UP

A grant of up to £2000 is available to help low-income households meet their contribution towards a Warmfront grant.

a) Scope of works-

At the discretion of the Council this assistance may be available to top up where the cost of the works exceeds the Warmfront grant, currently £2700. The work may include the following

- Provision of highly efficient heating systems
- Upgrade heating controls and management systems

b) Eligibility-

Applications can be considered from

- Resident homeowners, who are eligible and have applied for a Warmfront grant
- Private sector tenants over 18 years old who are eligible and have applied for a Warmfront grant

c) Conditions-

This assistance will only be approved where a Warm front grant is approved.

Grant limited to the contribution required to the warm front grant up to a maximum of £2,000 on any application. No further grant within three years of completion of previous grant.

The grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment if the property is sold or transferred to another owner within 5 years of the completion of the works. (See repayment conditions).

RENEWABLES LOAN

This assistance is available to help meet the cost of installing a renewable energy source in a person's home. This assistance will take the form of an equity loan with a 5-year interest free period

a) Scope of work-

- Installation of solar thermal water heating
- Installation of Photovoltaics
- Installation of Ground source heat pump
- Installation of Micro CHP

b) Eligibility-

The applicant must be a resident Homeowner

c) Conditions-

The amount of any loan provided by the Local Authority in addition to the grant will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner.

AFFORDABLE LOANS

This type of assistance is available to help residents improve their property to meet the decent homes standard. The local authority or a community development finance initiative may provide this assistance.

a) Scope of works-

Work to meet the Decent Homes Standard elements

- v. Housing Health & Safety Rating System
- vi. Repair
- vii. Amenities
- viii. Thermal Comfort

b) Eligibility-

The applicant must be over 18 and the Homeowner

The applicant must have resided in the property for at least three years prior to the application.

c) Conditions-

The maximum loan assistance payable by the Local Authority is normally £20,000, subject to sufficient equity being available in the property. Any assistance in excess of this amount will need approval from the Executive Member for Housing.

The loan will be on a fixed rate repayment basis on capital and interest terms or available on interest only terms to homeowners over 70. A shared appreciation loan is also available.

The amount of any loan provided will be secured by way of a legal charge on the property and registered as a land charge and will be subject to repayment when the property is sold or transferred to another owner.

HELPING PRIVATE SECTOR LANDLORDS PROVIDE BETTER RENTED ACCOMODATION

Note: All the assistance packages detailed in the following section are discretionary and as such are subject to funds being available. For this reason the provision of this assistance may be limited or discontinued at any time.

LANDLORD ASSISTANCE

A range of assistance packages are available to help landlords address unfitness and improve their privately rented property to meet the decent home standard. This assistance will be in the form of a grant. The value of the grant will be a percentage of the total cost of eligible works as assessed against a standard criterion.

Single Occupation Properties

1. DECENT HOMES ASSISTANCE

a) Scope of works-

- Works to raise the standard above the minimum fitness standard as defined by local policy formerly Section 604 of the Housing Act 1985
- Works to raise the standard above the minimum to meet the Decent Homes Standard elements for vulnerable households

b) Eligibility-

The applicant must be the freehold owner of a privately rented House.

c) Conditions-

All applications will be subject to a landlord's assessment. (See general conditions).

The grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment in full if the property is sold or transferred to another owner within 5 years of the completion of the works or if letting ceases during this period.

2. RENOVATION ASSISTANCE

a) Scope of works-

- Works to bring an empty property back into use,
- Works to convert an under utilised property.

b) Eligibility-

The applicant must be the freehold owner of a substandard empty property and is prepared to make this available for letting.

c) Conditions-

All applications will be subject to a landlord's assessment. (See general conditions).

The grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment in full if the property is sold or transferred to another owner within 5 years of the completion of the works or if letting ceases during this period.

3. HOME WARMER

a) Scope of work-

- Provision of highly efficient heating systems
- Roof insulation

b) Eligibility-

The applicant must be the freehold owner of a privately rented House

c) Conditions-

All applications will be subject to a landlord's assessment. (See general conditions).

The grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment in full if the property is sold or transferred to another owner within 5 years of the completion of the works or if letting ceases during this period.

4. EQUITY LOANS

This assistance is available to help meet the cost of bringing an empty property back into use. This assistance will take the form of an equity loan with a 2-year interest free period and can be linked to Renovation assistance.

a) Scope of work-

- Works to bring an empty property back into use,
- Works to convert an under utilised property.

b) Eligibility-

The applicant must be the freehold owner of a private house prepared to lease or let the property

c) Conditions-

The amount of loan provided by the Local Authority in addition to any grant will be secured by way of a legal charge on the property and registered as a land charge and in such cases will be subject to repayment when the property is sold or transferred to another owner or if letting ceases.

Multi Occupied Property

a) Scope of works-

- Works to raise the standard above the minimum fitness standard as defined by Section 604 of the Housing Act 1985
- Works to meet the requirements of section 352 of the same Act
- Energy Efficiency measures

b) Eligibility-

The applicant must be the freehold owner of a privately rented house in multiple occupation

c) Conditions-

The application will be subject to a limit of £10,000 in respect of a house in multiple occupation.

All applications will be subject to a landlord's assessment

The grant will be secured by way of a legal charge on the property and registered as a local land charge and will be subject to repayment in full if the property is sold or transferred to another owner within 5 years of the completion of the works or if letting ceases during this period.

GENERAL CONDITIONS

1. Repayments

Where stated if a property is disposed of subsequent to receiving assistance, repayment of the following amounts of the assistance provided will be required:

Year 1, 2 & 3	100%
Year 4:	60%
Year 5:	30%

Normal waiver of payment conditions policy will continue to be applied.

In addition to the repayment of any discretionary assistance set out above the full repayment of any outstanding loan element will be required upon disposal.

- 2. Council Tax Banding** – Assistance will only be available to applicants in respect of properties that fall into Council tax bands A – D. However, this exclusion may be lifted in cases where the health and safety of an

occupant who is in a vulnerable group is at risk. Applicants will need to demonstrate that alternative funding sources are not available.

This condition does not apply to Landlord assistance.

3. **Maintenance** – a condition will be applied in case of renovation or landlord assistance to require continued maintenance of the property by the owner occupier/landlord for a period of 5 years.
4. **Vulnerable Groups** – In respect of applying the decent homes standard. Vulnerable residents are defined as:
 - Any household where one or more occupants are in receipt of an income-related benefit; and
 - Any household that has an occupant aged 60 years or more; or
 - Any household that has an occupant who is disabled or suffering long term illness; or
 - Any household that contains one or more children aged 16-years or under.

5. **Equity contributions**

The level of equity contribution will be calculated as follows:

The value of the house will be assessed and the mortgage outstanding on the property will be deducted from the assessed value. For the purposes of this exercise only mortgage that has been obtained for house purchase or necessary improvements will be considered.

If the assessment indicates that there is less than £20,000 equity in the property this will be discounted for purposes of this exercise. In this case a grant of up to 100% of the total cost of the works will be provided although this will be subject to a test of resources and a contribution from the applicant may still be required, or;

Discounting the first £20,000, if the remaining equity is equivalent to or more than the cost of the works proposed Then the applicant will be required to finance the total equity contribution plus any assessed grant contribution, or;

Discounting the first £20,000, if the remaining equity in the property is less than the cost of the works the equity contribution to be funded by the applicant will be reduced pro-rata as illustrated below.

The following formula will be used to calculate the level of contribution in such cases -

In a Housing Action Area or Improvement & Regeneration Area –

$\frac{\text{Remaining Equity}}{\text{cost of works}} \times 30\% \text{ cost of works} = \text{Equity Contribution}$

In all other areas –

$\frac{\text{Remaining Equity}}{\text{cost of works}} \times 40\% \text{ cost of works} = \text{Equity Contribution}$

Examples:

In a Housing Action Area if the equity remaining on the house is £5,000 after discounting the first £20,000 and the total cost of the works is £10,000 –

Equity Contribution = $\frac{5,000}{10,000} \times 3,000$

Equity Contribution = £1500

Outside of a Housing Action Area or an Improvement & Regeneration Area if the equity remaining on the house is £12,000 after discounting the first £20,000 and the works cost £15,000 –

Equity Contribution = $\frac{12,000}{15,000} \times 6000$

Equity Contribution = £4800

Therefore the total contribution required from the applicant would be any contribution required towards the grant portion of the assistance as calculated by the test of resources plus the equity contribution as calculated above.

6. Landlords Assessment

All applications for landlord assistance will be subject to a landlord's assessment, which includes the following factors;

The nature of the works

The current rent charged

The contribution to strategic objectives

The expectation of work going ahead without grant aid

The application of nomination rights for a fixed period

The Landlord's record in terms of enforcement

The assessment will be based on the policy as laid out in the report to the Housing Committee on 23rd September 1998. The final contribution by way of grant following the formula as laid out in that report, as amended by the Executive Member for Housing Health and Social Care 8 February 2005.

7. Equity Loans

This type of loan where provided by the local authority, on its own or as part of an assistance package, will be non-interest bearing for people who are registered disabled or are over 70.

For people who are economically active the equity loan will be interest free for the first five years then will accrue interest at the standard variable local authority rate. This may be extended to 10 years for people over 60 and on a relevant benefit.

The loan can be voluntarily discharged at any time, by the applicant repaying the amount of the loan to the council. Early repayment will not attract redemption penalties.

Loans provided by the local authority will be secured by way of a legal charge on the property and registered as a land charge and will be subject to repayment when the property is sold or transferred to another owner

8. Shared Appreciation Loans

For this type of loan the charge secured by the council is expressed in terms of a percentage share of the value of the property. The loan will be secured by way of a legal charge on the property and registered as a land charge and will be subject to repayment when the property is sold or transferred to another owner.

The sum to be repaid will be the percentage share of the sale value subject to a minimum repayment of the original loan and a maximum repayment capped at a sum equivalent to the original loan plus interest at an APR of 5%