

## **ANNEX B**

### **Discretionary Housing Assistance Policy**

Under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

#### **1. Purpose of Housing Assistance**

- 1.1 Housing Assistance in the form of a grant or a loan may be offered, in accordance with this policy, to assist with the cost of the following works.
  - (a) the improvement, repair or adaptation of a home including houseboats and mobile homes. Assistance will only be available for dwellings which are subject to Council Tax.
  - (b) the demolition of a dwelling and the cost of its replacement
  - (c) the purchase of an alternative dwelling where this would be a better alternative to repairing the existing dwelling
- 1.2 The Councils preferred means of assistance will be in the form of interest free loans secured on the property which is subject to the improvement or repair. Discretionary Home Repair Grant or Landlord Repair Grant will still be available but limited to clients that fail to secure a loan. The Council may also be prepared to work with strategic partners or lending institutions to assist in the enabling of the provision of larger loans or loan guarantees in special financial and/or personal social circumstances and/or the provision of materials.
- 1.3 The priorities and budget constraints of the Council may require different purposes for, or areas in which assistance may be given.

#### **2. Who can apply for a Home Repair Loan / Grant?**

All applicants for assistance must: -

- (a) live within the district of Malvern Hills District Council
- (b) live in the dwelling as his or her only or main residence
- (c) be the owner, tenant or licensee of the dwelling either alone or jointly with others, and
- (d) have the power or duty to carry out the works or have the owners consent to do so in writing.

### **3. Landlord Repair Loan / Grant**

Grant may be available for the repair of an existing rented property or for the creation of new units to let, subject to the following criteria:

- (a) grant will be for 50% of the approved cost (up to £5,000 per property)
- (b) priority will be given to works for means of escape from fire and other fire precautions
- (c) where practicable, energy efficiency measures must be carried out
- (d) adequate central heating must be installed, if absent
- (e) the rent charged must not exceed the relevant Local Housing Allowance

Nomination rights to the Council will be required for a period of five years after the grant is paid. When the property repaired has an existing tenant, nomination rights will be required if it becomes vacant within five years of the grant payment.

### **4. Applications**

Initial enquiries must be made to Care & Repair, the Home Improvement Agency for Worcestershire (the HIA), who will advise on eligibility and provide assistance with making an application. All applications must include the following:

- (a) full details of the proposed works, including plans and specifications where appropriate
- (b) two quotations from suitable contractors for works above £2,000 and one quotation for works below this figure
- (c) details of any professional fees or other charges appropriate to the carrying out of the works
- (d) certificate of ownership completed and signed by the applicant, or confirmation from the owner that a tenant or licensee making an application is legally occupying the dwelling and giving the owners approval for the works to be carried out
- (e) an undertaking to repay the Home Repair Loan / Grant if the applicant ceases to be the owner, tenant or licensee in accordance with paragraph 10 below
- (f) proof of savings or capital or consent to contact the appropriate agency for proof of eligibility for benefit

An application will not be considered complete until all necessary information has been received by the Council, together with a recommendation from the HIA.

## **5. Restrictions on Grant Aid**

- 5.1 No loan or grant can be given for works completed prior to formal approval of an application.
- 5.2 All loan or grant applications will be subject to the availability of the Council's capital budget allocation for the relevant year(s).

## **6. Notification of approval or refusal of an application**

Formal notification of approval or refusal will be sent to an applicant within six months of the submission of a complete application (See paragraph 4 above).

- 6.1 an approval will specify the amount of loan or grant and the name of the contractor whose quotation was used in assessing the amount. If the named contractor is not used to carry out the works, formal approval must be obtained from the Council prior to an alternative contractor commencing works and additional quotations may be required.
- 6.2 a refusal will specify the reasons why the application is refused and provide details of how to make an appeal against the decision.
- 6.3 where the cost of works either increases or decreases or additional works are required, the Council may increase or decrease the amount of grant accordingly and inform the applicant in writing. The maximum grant cannot be exceeded.
- 6.4 any additional works must be agreed by the Council, prior to them being carried out.

## **7. Where works are carried out by the applicant**

If works are to be carried out by the applicant, or a close member of their family, material costs only can be covered by loan or grant aid. Quotations for the provision of all materials will be required before any approval can be given. Subsequent applications for additional grant for materials will not normally be allowed. An invoice, demand or receipt, for all materials used, will be required before any payment can be made.

A person is a close member of another's family if

- (a) he or she is the spouse of that person, or
- (b) he or she and that person live together as man and wife, or
- (c) he or she is that person's parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew or niece

## **8. Responsibility for the works**

The Council will not accept any responsibility, under any circumstances, for omissions by the contractor or defective workmanship. A Completion Certificate confirming that the works are complete and that the applicant is satisfied with the work carried out must be submitted before any grant is paid.

## **9. Payment of Loan / Grant**

9.1 Payment can only be made: -

- (a) if works are completed within 6 months of the date of approval or other period allowed by the Council.
- (b) if the works are carried out to the satisfaction of the Council
- (c) on production of an acceptable invoice, demand or receipt for payment for the works and any fees or charges
- (d) for works carried out by the contractor whose quotation was used in the assessment of the amount of loan / grant and who is named on the approval, unless specific permission has been given by the Council for the employment of an alternative contractor.

9.2 Payment will normally be made directly to the contractor, on completion of the works, subject to the receipt of a Completion Certificate (See paragraph 8 above)

## **10. Conditions for repayment of Home Repair Loan, Home Repair Grant or Landlords Repair Grant**

10.1 Repayment of any grant will be required in the following situations: -

- (a) if the applicant ceases to be the owner, tenant or licensee of the dwelling before works are complete he shall repay the full amount of any grant on demand by the Council
- (b) If the assistance was over £500 and the applicant ceases to be the owner, tenant or licensee of the dwelling within five years of final payment of the grant, he shall repay the full amount of any grant paid, on demand by the Council

10.2 Repayment of any loan will be required in the following situations:-

- (a) if the applicant ceases to be the owner, tenant or licensee of the dwelling before works are complete he shall repay the full amount of any loan paid, on demand by the Council.
- (b) should the loan be repaid prior to sale or demand for repayment within five years of final payment of loan then an early repayment discount of 50% of the approved loan will apply.

10.3 Repayment of grant may be waived in extenuating circumstances at the discretion of the Council as determined by the Head of Planning and Housing.

10.4 The requirement for repayment of the grant will be registered as a local land charge.

## **11. Test of financial resources and maximum amounts of Home Repair Grant available subject to paragraph 12 below**

11.1 For those applicants on any of the following benefits: -

- (a) Income Support
- (b) Income Based Job Seekers Allowance
- (c) Working Tax Credit
- (d) Housing Benefit
- (e) Council Tax Benefit

the amount of grant normally available will be 100% of the approved cost of works up to a maximum of £5,000 per dwelling per annum, except in the case of insulation grants where the maximum will be £150 per dwelling per annum.

11.2 For those applicants who are not on one of the benefits specified above, but have an annual gross income of less than £13,500 and savings of less than £16,000, the amount of grant will be 75% of the approved cost of the works up to a maximum of £5,000 per dwelling per annum.

11.3 For those applicants with a gross annual income of more than £13,500 and/or more than £16,000 of savings, no grant will be available.

11.4 Savings to include all cash or other Bank or Building Society holdings and shares, premium bonds or other investments including the value of land or property except that which is the subject of the application.

11.5 Applicant's income and savings will include those of a spouse or partner living with them or other person living in the property and having part ownership.

11.6 Discretionary grants for disabled adaptations for children or young people under 19 will not be means tested.

## **12. Schemes for which Home Repair Loan / Grant may be available**

12.1 for the repair of dwellings, assistance may be available (subject to paragraph 11 above)

- (a) where the repair or improvement is necessary to make the property fit for human habitation
- (b) where the works are necessary to enable the occupier to 'stay put' in their home

12.2 for energy efficiency and heating, assistance may be available (subject to paragraph 11 above) for

- (a) insulation measures for dwellings to assist in the Council's responsibilities under the Home Energy Conservation Act 1995 and to alleviate fuel poverty.
- (b) repair, replacement or provision of central heating and/or hot water systems. Grant will be to a maximum of £150 (depending on the measure) per dwelling per annum

12.3 Grants for alarms and key safes

Provision of telephone alarm units, key safes and any necessary ancillary equipment. Grants for the full cost will only be available to applicants on any benefit listed in paragraph 11.1 above and will be subject to the £5,000 maximum

12.4 Discretionary grants for disabled facilities adaptations

Grants for works to a dwelling to make it suitable for the accommodation, welfare or employment of the disabled occupant, where these works are not considered eligible under the mandatory grant provisions. Grant may also be available for works considered eligible for mandatory grant where the need for the disabled facility is urgent and would be delayed by going through the DFG application process. Grants will be subject to paragraph 11 above and to the £5,000 maximum.

12.4 Professional fees

Fees for engagement of the Council's preferred agent - Care and Repair Worcestershire (the HIA) - will be factored into every loan. The HIA charges a fee equivalent to 10% of the agreed cost of works. A further fee will be payable for registration of the interest free loan as a local land charge. The Maximum loan available including all fees will be limited to £5000.00.

12.5 Any amount over £5,000 must be funded or secured from other sources and must be available prior to commencement of the agreed works. Contributions will be held in a secure account by the HIA in readiness for payment of contractors on satisfactory completion of works.

### **13. Prioritisation of Enquiries for Grant**

13.2 On receipt of an enquiry, the HIA will assess the eligibility of the enquirer and, if eligible, the proposal will be prioritised by

- (a) the urgency of the work required e.g. danger to the health of the occupant
- (b) the ability of the enquirer to fund the work from their own resources where there is excess demand for grant over the Council's available resources
- (c) the date of receipt

13.3 Subject to the above, an inspection will be arranged as soon as possible to assess the works that can be grant aided. Where appropriate, the HIA will assist the enquirer in making an application to the Council for assistance.

13.4 When the Council has received a complete application, this will be determined within six months. Notification of the approval/refusal will be sent to the applicant as set out in paragraph 6