



# Renovation Grants/Loans



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# Introduction

If you own a property which needs repairs you may be able to get help in the form of a grant/interest free loan from North Hertfordshire District Council to meet all or part of the cost of the work. You may also be able to get help if you are a private tenant. Such grants/loans are given by North Hertfordshire District Council under The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 in compliance with their Private Sector Housing Renewal strategy. This document briefly describes the help available and how to go about applying for a grant/loan.

## Before applying for assistance.

It is a good idea to get advice from a qualified person when considering the need to carry out any works to your property. You should also consider how best to meet the costs. Whether or not you receive assistance towards the cost of the works it is important to ensure that the work gets done properly and at a reasonable price.

For major work it may be best to employ a *qualified architect or surveyor* to plan and oversee the work - if you get a grant/loan, the cost of their fees can be included in the cost of the works.

It is sensible to get competitive quotes from reputable builders and it may be worth using one who belongs to a trade association which operates a guarantee scheme such as those run by the Building Employers Confederation or the Federation of Master Builders.

In looking at possible options advice may be sought from the Private Sector Housing Team at North Hertfordshire District Council Tel. **01462 474000**.

Applications for grant/loan assistance will be dealt with by the Private Sector Housing Team at North Hertfordshire District Council. Renovation grants/loans are means tested and therefore you should initially request an informal means test form from the **Private Sector Housing Team at North Hertfordshire District Council, Council Offices, Gernon Road, Letchworth Garden City, Herts SG6 3JF**. Tel. **01462 474000** or email: **service@north-herts.gov.uk** .

By completing and returning this form the Council will be able to advise you of any contribution you will have to make towards the cost of works that are eligible for grant/loan aid. For more information on the means test refer to page 6 of this leaflet

## Who can apply for a Renovation Grant/Loan?

- **Owners-occupiers:** you must be a freeholder or leaseholder with at least five years of the lease remaining and the dwelling must be your/ your family's, only or main residence.
- **Qualifying tenants:** you must be liable under the terms of your lease or tenancy for carrying out the works in question.

Owners-occupiers and qualifying tenants must also meet the following conditions:

- your property was built or converted more than 11 years before the date of the application;
- your property is your only or main home;
- you have owned or been a qualifying tenant for at least one year before the date of the application;
- you are over 18 years of age.

## What are Renovation grant/loans available for?

1. The main purpose for which Renovation grant/loan is intended is to make a free from hazards. If your dwelling is deficient in any way and that deficiency is assessed as being likely to cause a Category 1 hazard to the occupants, then a grant may be given.

The hazards that are considered are

- (i) Damp and mould growth
- (ii) Excess cold
- (iii) Excess heat
- (iv) Asbestos
- (v) Biocides

- (vi) Carbon monoxide and fuel combustion products
- (vii) Lead
- (viii) Radiation
- (ix) Uncombusted fuel gas
- (x) Volatile organic compounds
- (xi) Crowding and space
- (xii) Entry by intruders
- (xiii) Lighting
- (xiv) Noise
- (xv) Domestic hygiene, pests and refuse
- (xvi) Food safety
- (xvii) Personal hygiene, sanitation and drainage
- (xviii) Water supply for domestic purposes
- (xix) Falls associated with baths etc
- (xx) Falls on the level
- (xxi) Falls associated with stairs and steps
- (xxii) Falls between levels
- (xxiii) Electrical hazards
- (xxiv) Fire
- (xxv) Hot surfaces and materials
- (xxvi) Collision and entrapment
- (xxvii) Explosions
- (xxviii) Ergonomics
- (xxix) Structural collapse and falling elements

The Council will be able to tell you whether the works you want to carry out are eligible for grant/loan.

2. Renovation Grant/loan maybe available to help with works to meet the **Decent Homes Standard.**

Applicants must be in receipt of one the following benefits and will also be subject to the financial means test.

- Income Support
- Housing Benefit
- Working Tax Credit (which includes a disability element)
- Council Tax Benefit
- Income Based Job Seekers Allowance
- Pension Guarantee Credit (not Pension Savings Credit)
- Child Tax Credit (where the relevant income of the person receiving the benefit is less than £14,200)
- Attendance Allowance
- Disability Living Allowance
- War Disablement Benefit
- Industrial Injuries Disablement Benefit

A decent home meets the following four criteria:

- i) it meets the current statutory minimum for housing as detailed above.
- ii) it is in reasonable state of repair having regard to the age and condition of building components.
- iii) it has reasonably modern facilities and services.
- iv) it provides a reasonable degree of thermal comfort. This criterion requires dwellings to have both effective insulation and efficient heating.

## The amount of grant/loan and how it will be calculated ?

The aim of the grant/loan system is to provide financial help for those who can least afford to pay for works to their properties. Grant/loan applicants who are owner-occupiers or qualifying tenants will be subject to a means test, which assesses how much, if anything, they must contribute towards the cost of the works. However, renovation grants/loans are subject to a limit of £25,000. The test will normally apply to the applicant and to the spouse or partner, where the test will apply to both of their incomes and savings. In the case of joint owners or joint tenants living in the property, the test applies to each of them individually.

The test calculates your average weekly income, taking account of any savings above £6,000 (savings below this are ignored as are certain state benefits). This is then set against an assessment of your basic needs, which are recognised by a range of allowances.

If your resources are **less** than this assessment, then you will not normally need to contribute to the cost of the works. If you are on income support, income-based jobseekers allowance or pension guarantee credit you will not normally have to make a contribution although this will not necessarily be the case if anyone else is being assessed.

If your resources are **more** than the assessment, then a proportion of your income will be used to calculate the amount you can afford to finance the works. This amount is then deducted from the amount of grant/loan that the Authority is prepared to pay. The amount of grant/loan should cover the reasonable cost of works up to the maximum permitted.

Please note the maximum payable for Renovation grant/loan is £25,000.

## How do I apply?

If following the means test assessment you wish to continue with your application for grant/loan an Environmental Health Officer from the Private Sector Housing team will arrange to visit your home and assess if the works are eligible and to discuss the grant process.

If you or your family are not in a position to make the grant application, which includes acquiring estimates, you may decide to use the services of an

external agent to help you with making an application. The agent will act on your behalf, acquiring estimates, making the application, acquiring any necessary approval for Building Regulations or planning purposes and supervising the works. The reasonable cost of any agents fees can be considered for grant/loan aid.

Following the visit to your property a schedule of works eligible for grant/loan aid, together with an application form and other documentation needed to support the application, will be forwarded to the applicant or the agent. You should ensure that you separately secure any approval for building regulations or planning purposes that is required. Grant/loan cannot normally be given for works that have already been carried out.

When applying for a grant/loan you will be asked to sign a certificate stating that throughout the 5 year grant/loan condition period, you or a member of your family intend to occupy the dwelling as your/ or the family members only or main residence. In the case of tenants, your landlord will be asked to sign a certificate stating that the dwelling will be let throughout the grant/loan condition period.

Where the applicant disposes of the dwelling or the dwelling ceases to be available for letting before the conclusion of the 5 year grant condition period the grant/loan shall be repayable pro-rata.

## Grant or Loan ?

If you are an owner-occupier the Council will need to decide whether to consider a grant or a loan. The Council will ask you to provide evidence of the current market value of your home and the amount of outstanding mortgage you have on the property.

You need to engage the services of a qualified valuer to do this. You will also need to obtain confirmation from your Building Society, Bank etc., of the sum of mortgage outstanding.

The decision whether to approve a grant or a loan will depend on the amount of equity ( i.e. the difference between the value of the property and the outstanding mortgage) you have in your property:

- If the total cost of work is less than 1½ times the equity then the Council will consider approving an interest-free loan which will remain as a legal charge on the property until it sold or you decide to repay it.

- If the total cost of work is more than 1½ times the equity then the Council will consider approving a grant which will be repayable pro-rata if the property is sold within the grant condition period, of 5 years.

## Grant/Loan approval

The Council will generally give you a decision in writing within six months of receipt of a completed application including any additional information we may require.

Grant/loan approval is subject to the following conditions.

- You must complete the works within 12 months of approval, unless the Council gives an extension (or you are required under a statutory notice to complete them in a shorter period).
- You must not use a contractor other than one whose estimate you submitted with your application unless the Council gives consent to a change of contractor.

If you are likely to breach either of these conditions, you should first consult the Council who will be able to tell you whether you will have to repay the grant/loan.

## Grant/loan payment

Grant/loan will only be paid when the Council is satisfied that the work has been completed to their satisfaction and in accordance with the grant/loan approval. Note, however, that you are responsible for ensuring that your builder meets the standard that **you** require.

Grant/loan can only be paid on provision of an acceptable invoice, demand or receipt of payment for the works. **An invoice is not acceptable if it is for work or services provided by the applicant or a member of his or her family. Where the works are carried out by the applicant or a relative, only invoices for materials or services bought in will be acceptable.**

The Council may pay the grant/loan in full on completion of the works or by instalments as the works progress.

The Council will pay the grant/loan direct to your contractor or agent. This will not affect your right to ensure that the contractor has completed the works to your satisfaction. If the contractor has not, you should notify the council so that they can withhold payment, if appropriate.

## Other relevant information

If you have any queries regarding anything in this document please contact the **Private Sector Housing Team** at **North Herts District Council** on Tel. **01462 474000** or email: [service@north-herts.gov.uk](mailto:service@north-herts.gov.uk) .

For small-scale works, such as the provision of grab rails, repairs to windows and doors, and provision of insulation a **Home Repair Assistance** Grant may be available from North Hertfordshire District Council. Further details are provided in the leaflet, **Home Repair Assistance**.

If you or someone living in your property is disabled, **Disabled Facilities grants** are available for a range of works needed to help a disabled person to remain living more independently in their home. Further details can be found in the leaflet, **Disabled Facilities grants**.

These documents and full details of North Hertfordshire District Council's grant policy is available in electronic form on The Council's website.

[www.north-herts.gov.uk](http://www.north-herts.gov.uk)

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