London Borough of Merton
Housing Renewal Policy
January 2009

Introduction

This Policy sets out:

- What Council grants are available for improving private homes
- Who qualifies for the money
- How to release money tied up in your home
- The application process for grants
- Background on Merton’s Council’s housing renewal policy
- Service standards and information

Primary responsibility for maintaining privately owned housing rests with owners. However the Council realises that some owners on low incomes can find it difficult to improve their housing conditions without advice or financial assistance from the Council. Help is provided for essential repairs and improvements by the provision of grants, advice, or referral to other sources of funding as set out in this policy.

Small repairs grants of up to £4,000 are available subject to eligibility criteria and these grants do not have to be repaid if the ownership of the property does not change within 10 years. Grants are also available for insulation and heating improvements and other essential works through a “Coldbusters” scheme and grants or loans are available for bringing empty properties back in to use.

The Council also offers grant assistance for improvements and adaptations to properties occupied by disabled people. These grants are not repayable and are based on meeting the needs of the occupier. Needs are subject to assessment by an occupational therapist and the grant of up to £30,000 is means tested.

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Part One: Eligibility Criteria for Grants

Coldbusters Grants

Grants of up to £6,000 are available towards heating, insulation and energy efficiency measures to people who receive an income related benefit. The Coldbusters grant is administered by CEN on behalf of the London Borough of Merton and many other London Boroughs and eligibility checks and enquiries should be made direct to CEN on telephone number 0800 358 6668 or by writing to CEN at

CEN – COLDBURSTERS
FREEPOST SEA0116
THORNTON HEATH
CR7 8XT

All Coldbusters grants awarded will be repayable in full upon the sale of the property or if the ownership is changed within 10 years of the grant being paid. Grants will be recorded on the local land charges register.

Small Repairs Grants

In order to target grants towards the people and property most in need, Merton Council has developed a points-based system. If an application scores 500 points or more the Council will endeavour to offer aid towards eligible works. Grants will normally be refused if the points total less than 500 other than in exceptional circumstances.

The Council has a limited budget available for small repair grant assistance. Once the budget has been committed it is unlikely that additional finance will be available until the following financial year. The Council will endeavour to meet the highest priority needs and as the budget reduces priority will be given to applicants scoring 600 points or more. For 2008/9 the Council has allocated £200,000 for private sector housing actions including grants a bid for a similar sum will be submitted for 2009/10

An enquiry form and information pack for a Small Repairs grant can be obtained by writing to the Environmental Health Section, London Borough of Merton, Civic Centre, London Road, Morden SM4 5DX or telephoning 020 8545 3025.
Exclusions To Grant Assistance:

Whilst the Council will consider any applications where there are exceptional circumstances, in order to target grants at people and properties most in need it is proposed that the following criteria would normally be reasons to refuse grant assistance as it is considered that applicants should be able to fund works from their own resources or it is not considered reasonable or equitable that funding of such works should be made from public resources.

1. Applicants in Council Tax band F, G and H.
2. Applicants who have not occupied the property continuously for at least 2 years as their main residence unless the works are to meet the needs of a disabled or vulnerable person.
3. Properties less than 10 years old.
4. Properties with 3 or more bedrooms than are currently needed.
5. Persons or companies with more than £250,000 of equity in property.
6. Defects caused by illegal, unauthorised or substandard building works or where applicants have deliberately damaged or willfully neglect their properties.
7. Works to extensions, porches or similar which are not an integral part of the property.
8. People or companies who knowingly fail to provide or disclose information that would materially affect an application or otherwise try to abuse the system. They will not be considered for grant assistance for a period of 5 years from the date of the incident occurring.

Please Note:

a) Grant assistance will be considered where equity release is not a practical or suitable option. Assistance is available up to a maximum of £4,000 per property in any three year period. The three year period runs from the date the last grant is completed. No more than two grants (including grants awarded under previous schemes) will be given in reaching the £4,000 maximum.

b) Grants for landlords of houses in multiple occupation are available for fire precaution works. There must be a full alarm system (LD2 type) installed. The maximum grant available will be up to 50% of the cost of the works required, (to a maximum of £3,000). Appendix 1 details the calculation of grants for houses in multiple occupation.

c) Grants for landlords are available for properties assessed to have category 1 hazards and occupied by regulated tenants. The maximum grant available will be up to 50% of the works required, (to a maximum of £3,000). Appendix 2 details the calculation of grant for rented properties.

d) An applicant must have an owners interest in the property or a repairing obligation if a tenant or leaseholder and have a right to occupy the property for more than 5 years.
e) All grants awarded will be repayable in full if the property is sold, or the ownership changes within 10 years of the grant being paid. Grants to landlords will also be required to be repaid if the property ceases to be let within 10 years. Grants will be recorded on the local land charges register. In the event of a grant not being repaid upon change of ownership, interest (Bank of England base rate plus 4%) will be charged, payable by the new owner from the date of change of ownership.

f) The Council will not consider applications where works are or should be the subject of a legal or insurance claim.

g) Before approving any grant, the Council must be satisfied that carrying out the works is the best course of action.

h) Grants will only be awarded if there are satisfactory arrangements for carrying out the works. Where the total cost of the works are above the level of grant, the applicant must demonstrate where top-up funding will come from.

i) The Council will consider all applications for grants against the criteria of this policy. Applicants do have the right to bring special circumstances to the attention of the Director of Environment and Regeneration. They will have to show that they have adequately explored all other avenues of finance and support, and demonstrate why their need is exceptional. The strategic aims of the council will be considered in determining such an application. It is recognised that many people will fall outside the remit of grant or equity release and that they will not be eligible for financial assistance by the Council. Homeowners and not the Council are responsible for privately owned properties and for some residents their only or best option may be to sell their property and move to an area of lower property prices or live with the property in disrepair. The Council will not be able to assist all people who would like assistance, however, it is recommended that in exceptional cases of hardship that also severely impact upon the health of the applicant or their family the Director of Environment and Regeneration be authorised to offer grant assistance of up to £4,000.

j) Where an application for grant is refused an applicant can appeal against the decision for the Council’s refusal setting out the grounds and reason for the appeal. The appeal will be considered by the Director of Environment and Regeneration or an officer authorised on her behalf and a written response setting out the decision will be provided within 21 days of an appeal being made.

Grant Conditions are set out in Part Three of this policy.
Points Awarded for Small Repair Grants

To find out the likelihood of qualifying for a grant, applicants should identify a category describing them in both tables A and B and then add together the maximum number of points they receive from both tables to get their points total.

<table>
<thead>
<tr>
<th>The Applicant</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The applicant is over 60 years of age and in receipt of a means tested benefit.</td>
<td>400</td>
</tr>
<tr>
<td>2. The applicant is over 60 years of age and not in receipt of a means tested benefit.</td>
<td>0</td>
</tr>
<tr>
<td>3. The applicant is under 60 years of age and has been in receipt of a means tested benefit for more than 12 months.</td>
<td>200</td>
</tr>
<tr>
<td>4. The applicant is under 60 years of age, is in receipt of a means tested benefit, and has children under 16 years of age</td>
<td>100</td>
</tr>
<tr>
<td>5. The applicant is under 60 years of age and has not been in receipt of a means tested benefit for more than 12 months.</td>
<td>0</td>
</tr>
<tr>
<td>6. The applicant is on a means tested benefit and is registered disabled, has a significant sensory impairment, or is otherwise vulnerable.</td>
<td>200</td>
</tr>
<tr>
<td>7. The applicant is on a means tested benefit, (a) awaiting discharge from hospital, and the property requires minor adaptation, repair or alteration to allow return or (b) works or improvements are required as a matter of urgency for health related reasons.</td>
<td>450</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The Works</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Works valued at more than £300 are required as a matter of urgency. E.g. no hot water supply, water is penetrating into the property, or there is a serious risk to the health or safety of the occupiers of the property.</td>
<td>400</td>
</tr>
<tr>
<td>2. Significant improvements to the basic fabric of the property are required to make it suitable for occupation. The work is likely to cost more than £500.</td>
<td>300</td>
</tr>
</tbody>
</table>
3. Minor adaptations are required to allow an elderly, disabled, infirm or vulnerable person to live in a dwelling as their only or main residence. Such work is to be subject to consultation with the Council’s Occupational Therapy Section.

| 400 |

4. Energy efficiency: heating and insulation improvements for eligible applicants will normally be provided through an agency agreement with Creative Environmental Networks (CEN), Telephone: 020 8683 6600 or for the Coldbusters scheme 0800 358 6668 CEN may refer to Central Government funding for energy efficiency works.

| 50 |

5. Where a Crime Prevention Officer considers improvements are needed to home security, e.g. door and window locks. The applicant will be over 60 years of age and vulnerable or registered disabled.

| 100 |

Please note.

1. All persons whose names are on the title deeds and all close relatives who live in the property will be means tested to ascertain whether it would be appropriate for them to fund or carry out works of repair or improvement as opposed to the local authority paying a grant.

2. In order to maximise the use of resources available a small repairs grant will not be given to clients who can qualify for equity release and works required are in excess of £4,000, however, where works are not significantly in excess of £4,000 and the applicant can access a limited amount of funding more quickly and more easily than through equity release a grant will be offered.
Disabled Facilities Grants

Disabled Facilities Grants will be offered to owner-occupiers, tenants, and relatives of owner-occupiers where the property to be adapted is the disabled person’s only or main home.

In the case of grant enquiries about disabled adaptations the Council will offer a pre-application assessment of the applicants likely financial contribution. Disabled Facilities Grants are means tested in accordance with Government regulations. This may assist applicants in deciding whether to submit a formal application.

Grants are available for a broad range of essential adaptations including: improving access to, from, and within a property; providing accessible bathroom facilities; and providing satisfactory space heating. Further details can be provide by the Council’s Environmental Health (020 8545 3025) or Occupational Therapy (020 8545 4477) sections or from the Government website http://www.communities.gov.uk/publications/housing/disabledfacilitiesgrant.

The maximum mandatory grant for disabled facilities is £30,000. Any work required which exceeds this level will need to be separately funded from other sources. The Council will discuss with applicants how any funding in excess of £30,000 or their assessed contribution to the cost of works will be met. The Council will assist in accessing equity release e.g. through Houseproud (See Part Two of this Policy) and if Houseproud or other options are not practicable or reasonable the Council may be able to assist by providing a loan or other assistance (eg assistance with legal costs to move to more suitable accommodation.) These matters will be subject to determination by the Director of Community and Housing.

Where a grant is given to owner occupiers and the grant exceeds £5,000, the Council may require repayment of the grant assistance if the property is sold within ten years of the grant being paid. (Registered by placing a charge on the local land charges register - up to a maximum of £10,000 may be required to be repaid) The Council will use its discretion, reflecting the individual circumstances of each application in determining whether the placement of a charge is appropriate and will also consider waiving the requirement to repay where due to hardship, or the sensitivities of a case it would not be reasonable to require repayment of the grant.

Applications for Disabled Facilities Grants must be supported by the Council’s Occupational Therapy Service who will advise of the works eligible for grant assistance. An Occupational Therapist can be contacted by telephoning 020 8545 4477.

The Council has to be satisfied that the relevant works are necessary, appropriate, reasonable and practicable – especially with regard to the age and condition of the dwelling or building and the practicalities of carrying out works to meet the needs of the applicant in a cost effective way.
Grant Policy for Empty Properties

It is acknowledged that empty properties are a wasted asset for both owners and potential occupiers. The Council wishes to encourage the re-occupation of empty properties and offers two types of Empty Homes Grant.

1. The Council will offer grants of up to £10,000 for their repair, improvement and refurbishment to make them suitable for occupation. The Council will require tenant nomination rights for the period of the grant. (3 years)
   - To qualify the property must have been vacant and owned by the applicant for more than one year
   - The grant is repayable in full after 3 years of the grant being paid or upon the sale of the property—whichever occurs first.
   - Failure to repay the grant by the 3rd anniversary of the grant being paid will result in interest being charged (the Bank of England base rate, plus 4%). A charge will be registered against the property on the local land charge register.

2. As a result of funding being made available by the Government Office for London, the Council will offer grants of up to 50% of the cost of eligible works (subject to a maximum grant of £25,000) for the repair, improvement and refurbishment of empty properties to make them suitable for occupation. The Council will require tenant nomination rights for a period of 5 years but at the end of this period the grant will not be repayable. This scheme is subject to review as the Greater London Authority and London Boroughs propose to review eligibility criteria and funding levels. Please enquire as to grant criteria as they are likely to change.

Grants for Landlords of Occupied Properties

Grants for landlords are available for fire precaution works in houses in multiple occupation and to remedy category 1 hazards in properties occupied by regulated tenants. They are subject to different criteria than those for owner-occupiers. Further details and an enquiry form are available from the Environmental Services Department. Appendices 1 and 2 below provide more detail.
HOUSING GRANTS POLICY 2009/10 APPENDIX 1

ASSESSMENT OF CONTRIBUTIONS FOR LANDLORD GRANTS (HMOs)
(FIRE SAFETY WORKS ONLY)

1. EHO perception of management

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>5</td>
</tr>
<tr>
<td>Good</td>
<td>4</td>
</tr>
<tr>
<td>Average</td>
<td>3</td>
</tr>
<tr>
<td>Poor</td>
<td>0</td>
</tr>
<tr>
<td>Very poor</td>
<td>-5</td>
</tr>
</tbody>
</table>

2. Potential weekly income for full occupancy after tax deductible outgoings have been made (not including mortgage)

<table>
<thead>
<tr>
<th>Weekly Income</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>£600 or more</td>
<td>-35</td>
</tr>
<tr>
<td>£500 to £600</td>
<td>-15</td>
</tr>
<tr>
<td>£400 to £500</td>
<td>-5</td>
</tr>
<tr>
<td>£300 to £399</td>
<td>0</td>
</tr>
<tr>
<td>£200 to £299</td>
<td>1</td>
</tr>
<tr>
<td>£100 to £199</td>
<td>2</td>
</tr>
<tr>
<td>Less than £99</td>
<td>5</td>
</tr>
</tbody>
</table>

3. Maintenance history
(expenditure of between £1,000 to £2,000 per annum averaged over the previous 5 years would be expected on a house over 25 years of age.)

<table>
<thead>
<tr>
<th>Maintenance Status</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>The property had not been well maintained and improved</td>
<td>0</td>
</tr>
<tr>
<td>The property has been partially maintained and improved</td>
<td>3</td>
</tr>
<tr>
<td>The property had been well maintained and improved</td>
<td>5</td>
</tr>
</tbody>
</table>

4. Number of properties owned by the landlord

<table>
<thead>
<tr>
<th>Property Ownership</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>The landlord is a portfolio landlord with more than 5 properties</td>
<td>0</td>
</tr>
<tr>
<td>The landlord owns 2 to 5 tenanted properties</td>
<td>5</td>
</tr>
<tr>
<td>The landlord owns only one tenanted property</td>
<td>20</td>
</tr>
</tbody>
</table>
5. **Works required**

<table>
<thead>
<tr>
<th>Description</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire precautions required to full L2 standard</td>
<td>5</td>
</tr>
</tbody>
</table>

6. **Equity in properties other than the owner’s main residence**

<table>
<thead>
<tr>
<th>Description</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity greater than £500,000</td>
<td>-35</td>
</tr>
<tr>
<td>Equity £250,000 to £500,000</td>
<td>-10</td>
</tr>
<tr>
<td>Equity up to £250,000</td>
<td>0</td>
</tr>
</tbody>
</table>

7. **Need for support/care**

<table>
<thead>
<tr>
<th>Description</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time care on site</td>
<td>3</td>
</tr>
<tr>
<td>Part time care on site</td>
<td>1</td>
</tr>
<tr>
<td>No care required</td>
<td>0</td>
</tr>
</tbody>
</table>

Local Authority contribution will be calculated by considering the reasonable cost of works and offering grant assistance based on the following calculation.

Reasonable cost of works multiplied by total score from the 7 categories above divided by 35.

A maximum of 50% of the cost of works (up to a maximum grant of £3000) will be offered subject to the budget for grant funding not having been spent.
**HOUSING GRANTS POLICY 2009/10 APPENDIX 2**

**ASSESSMENT OF CONTRIBUTION FOR LANDLORD GRANTS (NON-HMO)**

**LANDLORD RECORD**

1. Statutory Compliance (over the last 3 years)

| History of non-compliance with statutory notices or failing comply within the specified time | 0 |
| History of good compliance with the requirements of statutory notices | 5 |
| No history of statutory notices | 5 |

2. Type of tenancy

| Assured short hold tenancy | -35 |
| Registered regulated rent greater £100 per week | 0 |
| Registered regulated rent £50 to £100 per week | 3 |
| Registered regulated rent less than £50 per week | 5 |

3. Maintenance history

| The property had not been well maintained or improved | 0 |
| The property has been partially maintained or improved | 3 |
| The property had been well maintained and improved | 5 |

4. Number of properties owned

| The landlord is a portfolio landlord with more than 5 properties | 0 |
| The landlord owns 2 to 5 properties | 5 |
| The landlord owns only one tenanted property | 20 |
5. Equity in property other than owner’s main residence

| Equity greater than £500,000  | -35 |
| Equity between £250,000 and £500,000 | -10 |
| Equity up to £250,000  | 0 |

6. Tenant’s age

| Age of youngest tenant 80+  | 0 |
| Age of youngest tenant 71 to 80 | 1 |
| Age of youngest tenant 61 to 70 | 2 |
| Age of youngest tenant 51 to 60 | 3 |
| Age of youngest tenant under 50 | 5 |

7. Cost of works

| Less than £1,000  | -35 |
| Works covered by building insurance | -35 |

Local Authority contribution will be calculated by considering the reasonable cost of works and offering grant assistance based on the following calculation.

Reasonable cost of works multiplied by total score from the 7 categories above divided by 35.

A maximum of 50% of the cost of works (up to a maximum grant of £3000) will be offered subject to the budget for grant funding not having been spent.
Part Two: Equity Release

Equity release schemes are an effective way of assisting low income households who have substantial equity in their homes – despite its need for repairs. Many older people in Merton are in such a position: having a small or no mortgage, but owning property worth in excess of £200,000.

In recognition of the opportunities available to release money from homes – in order to maintain them – Merton Council has been working with other London Boroughs and Councils throughout the country with a not for profit organisation called the Home Improvement Trust to develop a scheme called Houseproud. This scheme will offer assistance and advice in carrying out repairs and will offer three types of loan.

PLEASE NOTE:-

Anyone considering equity release or other ways of raising money to fund repairs is strongly advised to seek independent financial advice and consult their family where appropriate with regard to their proposals.

The types of loan are

1. A loan to those who are 60 years of age or over, where the amount borrowed is not repaid until the property is sold, but the interest is paid on a regular basis.

2. A capital and interest loan which is a straightforward mortgage, available to those who are 60 years of age or over, or disabled, or who care for a disabled person of any age.

3. A capital release scheme, which is a loan where there is no need to make any repayments until the property is sold. For this type of loan applicants must normally be over 75 years of age.

All loans come with a guarantee of no repossession. In order to maximise the use of resources available a small repairs grant will not normally be given to clients who can qualify for equity release, however, where works are not significantly in excess of £4,000 and the applicant can access a limited amount of funding more quickly and more easily than through equity release a grant will be offered.

The Council or the local Hanover at Home Agency will assist the applicant in identifying the necessary works and produce a written schedule from which builders can properly quote. The Council or the local Hanover at Home Agency will also assist with the filling in of application forms and will undertake a check of the works upon completion. It may also be possible to have works supervised by the local Hanover at Home Agency for the payment of a small fee.
The Home Improvement Trust provides a DVD and literature in an appropriate language that sets out the process clearly. They can be contacted via a freephone number 0800 783 7569 and they will arrange for a valuation of your property, legal assistance, land searches, the provision of free independent financial advice and should applicants wish to pursue this option, the loan.

Applicants wishing to explore the possibility of one of the 3 options above should contact the Home Improvement Trust on 0800 783 7569 the Environmental Health Section on 020 8545 3025, or the Hanover at Home Agency on 020 8648 0471. It should be noted that any loan outstanding on the death of an owner of a property can be offset against the value of their estate and could therefore reduce inheritance tax liability. **It is strongly recommended that applicants seek independent financial advice and consult their family where appropriate with regard to their proposals.**

**In all cases where equity release is being considered it is important that independent financial advice is sought. The Home Improvement Trust can provide access to an independent financial advisor.**

People in receipt of means tested benefits may be eligible for the interest payments associated with equity release to be paid by the Department of Works and Pensions. Applicants will need to make enquiries with regard to this with the Department of Works and Pensions.
Part Three: Summary of Grant Conditions

PLEASE NOTE - DO NOT START ANY WORK FOR WHICH YOU ARE SEEKING GRANT ASSISTANCE WITHOUT WRITTEN APPROVAL FROM THE COUNCIL. YOU WILL NOT BE ELIGIBLE FOR GRANT ASSISTANCE FOR WORKS CARRIED OUT WITHOUT APPROVAL.

Grant Conditions for Small Repairs Grants

Carrying out and completion of works:

1. In approving an application for a grant the Council will require as a condition of payment of the grant that the eligible works are carried out in accordance with such specifications as they determine to be appropriate.

2. It is a condition of the grant that the eligible works are carried out within 12 months from the date of approval of the application. The period may be extended by the Council, if they are satisfied that the eligible works cannot be, or could not have been carried out because of circumstances that could not have been anticipated or have been reasonably foreseen at the time the application was made. Requests for an extension of time for the carrying out or completion of works must be made before the grant approval expiry date. All grant approvals not complying with the above will be cancelled.

3. Payment of the grant is conditional upon the eligible works being completed to the satisfaction of the Council and the provision of acceptable invoices. An invoice, demand or receipt is not acceptable if given for services carried out by the applicant or a member of his family and should be from a bona fide contractor. Interim payments will not be made unless the services of more than one contractor are involved in the works, or circumstances arise which could result in excessive delays in payment for works that have already been satisfactorily completed.

4. It is a condition of payment of the grant, unless the Council directs otherwise, that the eligible works are carried out by a contractor whose estimate accompanied the application, or where two or more estimates were submitted, by one of those contractors. The grant will normally be paid direct to the contractor(s).

5. Before a grant is approved applicants must be able to demonstrate that they have financial and other arrangements in place for completing works where the cost is in excess of the amount of the grant.
6. Building insurance must be maintained on the property on completion of the works.

7. Unforeseen works arising during the course of the work will not be eligible for assistance unless permission is obtained from the Council prior to such works being carried out. Any costs exceeding the grant maximum under these circumstances may be aided at the discretion of the Director of Environment and Regeneration.

Where applicable, all works must have the relevant building control and/or planning permission.

**Repayment of Small Repairs Grant**

All small repairs grants awarded will be repayable in full upon the sale of the property or if the ownership is changed within 10 years of the grant being paid. Grants will be recorded on the local land charges register.

In the event of a grant not being repaid upon sale or change of ownership, interest (Bank of England base rate plus 4%) will be charged from the date of change of ownership to be paid by the new owner.

If repayment of a grant will cause hardship the recipient of the grant may ask for special circumstances to be taken into account to defer or waive the repayment and any interest owing.

**Repayment where applicant not entitled to grant:**

Where an application for a grant is approved but it is subsequently established that the applicant was not entitled to a grant the Council will not pay the grant or will require the grant to be repaid within 42 days. Failure to repay will result in interest being added to the sum to be repaid at Bank of England base rate plus 4% and the Council may seek to recover the grant paid through the Courts.

**Certificates of Future Occupation.**

**In the case where an owner-occupation certificate accompanies the application:**

1. It is a condition of the grant that the owner signs an owner-occupation certificate which certifies that he/she or a member of his/her family will live in the dwelling as his/her, or that member’s, only or main residence for ten years.

2. The Council may at anytime serve a notice on the owner of the dwelling requiring a statement showing how the condition of the owner-occupation certificate is being fulfilled.
In the case where a certificate of intended letting accompanies the application:

1. It is a condition of the grant that the owner signs a certificate of intended letting which certifies that he/she intends that the dwelling will be let or available for letting as a permanent residence to a person(s) who is not connected with him/her for a period of ten years.

2. The Council may at anytime serve a notice on the owner of the dwelling requiring a statement showing how the condition of the certificate of intended letting is being fulfilled.

3. In the event of any breach of the certificate of letting the Council may demand repayment of the grant together with interest from the date on which the condition was breached or that the Council became aware of the breach.

Grant Conditions for Disabled Facilities Grants

Carrying out and completion of works:

1. In approving an application for a grant the Council will require as a condition of payment of the grant that the eligible works are carried out in accordance with such specifications as they determine to be appropriate.

2. It is a condition of the grant that the eligible works are carried out within 12 months from the date of approval of the application. The period may be extended by the Council, if they are satisfied that the eligible works cannot be, or could not have been carried out because of circumstances that could not have been anticipated or have been reasonably foreseen at the time the application was made. Requests for an extension of time for the carrying out or completion of works must be made before the grant approval expiry date. All grant approvals not complying with the above will be cancelled.

3. Payment of the grant is conditional upon the eligible works being completed to the satisfaction of the Council and the provision of acceptable invoices. An invoice, demand or receipt is not acceptable if given for services carried out by the applicant or a member of his family and should be from a bona fide contractor. Interim payments will not be made unless the services of more than one contractor are involved in the works, or circumstances arise which could result in excessive delays in payment for works that have already been satisfactorily completed.
4. It is a condition of payment of the grant, unless the Council directs otherwise, that the eligible works are carried out by a contractor whose estimate accompanied the application, or where two or more estimates were submitted, by one of those contractors. The grant will normally be paid direct to the contractor(s).

5. Before a grant is approved applicants must be able to demonstrate that they have financial and other arrangements in place for completing works where the cost is in excess of the amount of the grant.

6. Building insurance must be maintained on the property on completion of works.

7. Unforeseen works arising during the course of the work will not be eligible for assistance unless permission is obtained from the Council prior to such works being carried out. The maximum grant available for disabled facilities grants is £30,000.

8. Where applicable, all works must have the relevant building control and/or planning permission.

9. **PLEASE NOTE**. Where a grant is given to owner occupiers and the grant exceeds £5,000, the Council may require repayment of the grant assistance if the property is sold within ten years of the grant being paid. (Registered by placing a charge on the local land charges register - up to a maximum of £10,000 may be required to be repaid)

The Council will use its discretion, reflecting the individual circumstances of each application in determining whether the placement of a charge is appropriate and will also consider waiving the requirement to repay where due to hardship, or the sensitivities of a case it would not be reasonable to require repayment of the grant.

**Repayment where applicant not entitled to grant:**

Where an application for a grant is approved but it is subsequently established that the applicant was not entitled to a grant the Council will not pay the grant or will require the grant to be repaid within 42 days. Failure to repay will result in interest being added to the sum to be repaid at Bank of England base rate plus 4% and the Council may seek to recover the grant paid through the Courts.
Owner’s application:

In the case where an owners certificate accompanies the application:

1. It is a condition of the grant that the owner signs a certificate confirming that the disabled occupant will live in the dwelling as their only or main residence.

2. The Council may at anytime serve a notice on the owner of the dwelling requiring a statement showing how the condition of the owner-occupation certificate is being fulfilled.

In the case where a tenants certificate accompanies the application:

1. It is a condition of the grant that the tenant signs a certificate confirming that the disabled occupant will live in the dwelling as their only or main residence.

2. The Council may at anytime serve a notice on the owner of the dwelling requiring a statement showing how the condition of the certificate of intended letting is being fulfilled.

Grant Conditions for Empty Homes Grants

For the grants funded by the Council loan scheme (up to £10,000).

1. The Council will require tenant nomination rights for the period of the grant. (3 years)
2. The grant is repayable in full after 3 years of the grant being paid or upon the sale of the property— whichever occurs first.

- Failure to repay the grant on or by the 3rd anniversary of the grant being paid will result in interest being charged (the Bank of England base rate, plus 4%). A charge will be registered against the property on the local land charge register.

For the grants funded as a result of funding from the Greater London Authority of up to 50% of the cost of eligible works subject to a maximum grant of £25,000 (* conditions and funding subject to review)

1. The Council will require tenant nomination rights for a period of 5 years.
2. The property must be let at a rent fixed by the rent officer
3. At the end of this period (5 years) the grant will not be repayable.
• Failure to comply with the grant conditions will result in the grant being required to be repaid and interest being charged (the Bank of England base rate, plus 4%) from the date on which the condition(s) was breached. A charge will be registered against the property on the local land charge register.

**Grant Conditions for Coldbusters**

Repayment of Coldbusters Grant

All Coldbusters grants awarded will be repayable in full upon the sale of the property or if the ownership is changed within 10 years of the grant being paid. Grants will be recorded on the local land charges register.

In the event of a grant not being repaid upon sale or change of ownership, interest (Bank of England base rate plus 4%) will be charged from the date of change of ownership to be paid by the new owner.

If repayment of a grant will cause hardship the recipient of the grant may ask for special circumstances to be taken into account to defer or waive the repayment and any interest owing.

**Part Four: The Strategic Context for Housing Renewal Policy**

Poor quality housing can have an impact on the health of the occupant and on the quality of life in an area. The Government’s view is that it is primarily the responsibility of homeowners to maintain their property. However, the Government is committed to improving housing quality across all tenures including the owner-occupied sector, and fully accepts that some homeowners, particularly the elderly and the most vulnerable, do not have the necessary resources to keep their homes in good repair. Local Authorities therefore have an important role to provide assistance in these cases.

Local Authorities have extensive powers to intervene where they consider housing conditions are unacceptable. In some cases they may take formal enforcement action under fitness legislation but are also required to develop appropriate policies to deal with improving housing quality across all tenures.

The Regulatory Reform Order on housing renewal came into force on 18 July 2002 and requires Local Authorities to devise a strategy to deal with poor condition private sector housing. It also provides a major opportunity for Local Authorities to contribute further towards the Government’s and the Local Authority’s overall strategies towards tackling poverty and social exclusion, health inequalities, and neighbourhood decline. Effective housing strategies contribute to and link up with a range of other strategies and plans including the community plan, supporting people initiatives, crime reduction, social inclusion, regeneration, employment, training, health, neighbourhood renewal and fuel poverty and energy efficiency strategies.
Merton Council commissioned a joint house condition and housing needs survey which was completed in March 2005.

The main findings of the survey included:

1. Just over 4,000 dwellings are unfit for human habitation (based on assessment against 11 criteria which is equivalent to 5.4% of the stock. This compares to a national average of 4.2% and a London average of 5.6%. The average cost to make a property fit is just under £4,000.
2. The average cost per dwelling of urgent repairs (needing to be done in the next year) is £1,179 - this totals £90 million borough wide.
3. The average cost per dwelling of basic repairs (needing to be done in the next 5 years) is £1,765 - this totals £135 million borough wide. The main problems are external doors and windows, heating systems and roofs.
4. The average energy efficiency rating (SAP rating) for dwellings in Merton is 52 compared with the national average of 51 and the London average of 53.
5. Households living in dwellings with particularly low SAP ratings also appear to show quite distinct characteristics and are likely to be single person households or a vulnerable household with low income.
6. A 30% improvement in the energy efficiency of properties (Government target) appears difficult to achieve. A full range of measures will increase the average SAP rating from 52 to 64 (an increase of 22.6%) and would cost £197 million. A more realistic scheme aiming to upgrade or install heating systems along with a programme of insulation measures would increase the average SAP from 52 to 62 (an increase of 19.4%) at a cost of £75 million. There is therefore a clear trade off between the cost of works and the benefits in terms of energy efficiency and/or other measures that would improve the housing stock.
7. The Government has introduced a “Decent Homes” standard which requires properties to
   (a) meet a statutory minimum standard
   (b) be in a reasonable state of repair
   (c) have reasonably modern facilities and services
   (d) provide a reasonable degree of thermal comfort.
   The results of the survey suggested that 30% of dwellings failed the standard under one or more of the above and that the main reason for failure was thermal comfort. (69%). Households that showed the highest level of non-decency include single pensioner, special needs and vulnerable households.
8. The Government introduced a “Housing Health and Safety Rating System” in April 2006 as an alternative method for looking at the condition of dwellings taking into account the potential hazards of a dwelling in relation to any persons using it rather than an assessment of the condition of the fabric of the property. It is estimated that 7% of dwellings would fail to meet the required standard which is higher than the former “unfitness” rating level (5.4%). The main hazards identified relate to excessive cold and falls on stairs.
9. Just over 5000 buildings are occupied as Houses in Multiple Occupation (shared houses with varying degrees of sharing). Generally HMO buildings
have higher repair costs and above average levels of unfitness. From July 2006 a national licensing scheme for HMOs of three or more storeys and occupied by five or more people was introduced.

11. The ability and willingness to fund repairs and improvements from owners own resources varies quite considerably but improvements to the housing stock are necessary to deal with current disrepair and prevent further deterioration.

12. Private rented dwellings, pre 1944 dwellings and converted flats are most likely to be unfit or in the poorest state of repair.

13. Special needs and vulnerable households are more likely to have higher than average repair costs.

Private housing in Merton comprises both private rented and owner-occupied properties. Owner-occupied properties make up 78%, 16% is privately rented and 6% is rented from a Registered Social Landlord. The survey estimated that pensioner households make up 18% of households in the Borough and that there are 12% of households with special needs and 18% are vulnerable households.

There is a significant difference between different parts of the borough, with properties around Wimbledon village in the far north fetching around three times the price of those lying to the South East or North West of Mitcham. This divide can broadly be said to run North-South.

In setting policy priorities the Council has had particular regard to its strategic objectives and the Community Plan. It has concentrated its resources mainly on client based needs and in particular supporting older, disabled and vulnerable groups. It has also focused on some property based issues – in particular improving the thermal efficiency of properties, the wish to bring long term empty properties back in to use and improving conditions in Houses in Multiple Occupation.

**Part Five: Promotion, Advice and Partnership Working**

**Promotion of Service and Policy**

This policy is available at libraries and on the Council website and copies of the full policy or grant application criteria and conditions, can be obtained from the Environmental Health section. Telephone 020 8545 3025.

The grants and services available will be promoted throughout the Borough to vulnerable and disabled groups and through carers, health care workers and the voluntary sector. Press releases and other information channels will be used to make residents and businesses aware of this policy and assistance the Council can offer.
Advice

Builders List

The Environmental Health section (Telephone 020 8545 3025) hold a list of contractors that have undertaken satisfactory building (grant) work in the past. Whilst the Council is satisfied that work undertaken in the past was to a satisfactory standard the Council cannot be held liable or responsible for the acts or omissions of the contractors. It should be noted that all contracts are between the owner of the property and the contractor not the Council.

Enforcement and Advice

The Environmental Health section (Telephone 020 8545 3025) provides advice to landlords and tenants on acceptable standards applicable to privately rented housing. They will take enforcement action appropriate to the matters brought to their attention having regard to Housing and Environmental Protection Act legislation and their Compliance Code and Enforcement Policy. The Council’s Housing Advice section (Telephone 020 8545 3734) will provide advice to tenants and landlords on a wide range of tenancy and eviction issues. The Empty Homes officer (Telephone 020 8545 4151) will provide advice and options to enquirers on the subject of empty properties.

The Council also provides advice on its website on the repair and maintenance of property, useful sources of information and tips on employing a builder.

Partnership Working

Hanover at Home in Merton

Hanover at Home, supported by the Council and Hanover Housing Association offers housing advice and assistance to the elderly. It also operates a handyman scheme whereby small scale works can be carried out at a low fixed hourly rate plus cost of materials. Hanover at Home can be contacted on telephone number 020 8648 0471.

Energy Advice Agency

The Council has a service level agreement with the Creative Environmental Networks (CEN) who offer advice and assistance in relation to energy efficiency issues, the national Warm Front scheme (heating and insulation) and renewable energy options. CEN also operate the Coldbusters grant scheme to facilitate the installation of heating and insulation measures and essential repairs up to a value of £6,000. CEN can also provide information on other grants, promotions and schemes that are available to all and they can be contacted on telephone number 0800 358 6668.

All housing benefit claimants are advised annually of the national Warm Front scheme. A home energy survey is available for completion online on the Council's website at www.merton.gov.uk or a paper copy can be obtained from CEN, the Environmental Health Section or Merton Link.

**Primary Care Trust and Voluntary Sector**

The Council will work with, consult and advise the local Primary Care Trust (Health Authority), staff in relevant Council departments and in the voluntary sector to ensure that field workers are aware of the scheme’s, grant and loan options and the conditions and criteria in this policy. A rapid action scheme has been introduced to assist people in having urgent works carried out to their properties to allow them to be discharged from hospital as soon as possible.

**Landlords forum**

Merton operates a landlords forum to provide information, advice, presentations on topics of interest and an opportunity for landlords to discuss issues of common concern.

**Part Six: Service Standards and Information**

The performance targets set out in this document will be achieved at times of normal demand. The speed of the service may be reduced during periods of high demand or as a result of staff shortages. Delays may also occur due to changes in the grant system imposed by government, or budgetary constraints. If delays do occur applicants will be notified in writing as to the cause of the delay and how long the delay will be.

By offering Small Repairs grants the Council is able to provide financial assistance to some homeowners for improving dwellings in the Borough. The grant system is complicated. Whether or not a grant is available depends on a number of criteria concerning both the applicant and the property. The eligibility criteria are set out in Part One of this policy.

Due to the complexity of the system it is part of our service to provide advice about it. This can be obtained over the telephone, through writing to the Council, or calling at Merton link in the Civic Centre. Advice (by prior arrangement) can be provided in a range of ethnic minority languages, as well as English.

The Coldbusters scheme is operated in partnership between the Council and Creative Energy Networks and CEN allocate a named case officer to all applicants. Empty homes grants and loans are subject to legal agreements, rent determination and nomination rights and will be dealt with on an enquiry specific basis and again a named case officer will be allocated to progress an enquiry/application. Both of the schemes are not subject to the standards set out below.

We recognise that disabled people may have an urgent or pressing need for adaptations to their home. For this reason more demanding targets have been set for disabled facilities grants.

For advice or information about the grant system telephone: - 020 8545 3025 or 0208 545 3441.
Information and Enquiries

Calls about the grant system, whether by telephone or in person will be dealt with promptly. A written information pack and an enquiry form will be provided free of charge to personal callers and the pack will be sent to telephone callers within three working days.

We are particularly anxious that homeowners do not have to waste time by making grant applications, which will not result in a grant being paid. This could easily happen through an application being made by the owner of a qualifying house and a grant being denied a grant through the workings of the "test of resources". For this reason the Council will provide a screening means test as part of the enquiry process. The necessary form is provided as part of the enquiry package.

We will respond to receipt of a written enquiry, with a written response including the outcome of the screening means-test, within 15 working days.

In most cases the test gives a good indication to the applicant as to how much his or her own financial contribution to the cost of works is likely to be. In most cases the homeowner can make a well-informed decision on whether to proceed further. We will however, where relevant, ask for details of other persons who have an interest in the property or close relatives who live at the property to determine whether it would be reasonable for them to contribute to the cost of the works.

The Property Survey

The next stage is for the property to be surveyed by a council officer. The survey enables us to decide what works are necessary to bring the house up to the required standard and whether the property qualifies for a grant. There is usually a little delay before a survey can be carried out, due to the extensive demands on officers’ time.

Following the survey the homeowner will either be sent all the documents necessary for making a formal application (including a schedule of necessary works), or be notified in writing if the property does not qualify for grant aid. Where properties are not eligible for grant assistance we will provide a schedule of necessary works if requested and offer general advice on funding/carrying out the works.

The survey will be carried out within 6 weeks of receiving notice from the client that they wish to proceed with the grant enquiry or survey.

In the case of disabled facilities grants, the client will also need a visit from an occupational therapist, who will assess what the disabled person’s requirements are. This visit takes place before the structural survey.

For disabled facilities grants the survey will be carried out within one week of receiving the occupational therapist’s report.
Making an Application

This stage is largely in the hands of the applicant, who has to complete all the necessary documentation and obtain at least two estimates covering all the work described in the schedule. Advice will be available from the case officer as well as the division’s administrative staff for clients having difficulty with the application process. A guide explaining the process will be provided with the formal application forms and schedule.

Processing an Application

Once an application has been received it needs to be carefully checked for completeness. This complex administrative task has to be scheduled in with other work. If deficiencies in the application come to light, the applicant will be notified in writing or by telephone of what steps he/she has to take to complete the application. A completed application is said to be "duly made".

We will fully check an application for completeness and either notify the applicant that the application is "duly made", or notify the applicant of the further steps he/she needs to take, within 15 working days of receipt.

For Disabled Facilities grants this stage will be carried out within 10 working days.

Once the application has been duly made;

We will determine an application within 12 weeks of it being "duly-made" and notify the applicant in writing of the outcome in accordance with the legal requirements.

For Disabled Facilities grants this stage will be carried out within 6 weeks.

Please note that an application is only "duly made" once the Council has all the necessary documentation in its possession. In view of the complexity of the grant process it is quite common for applications to be received which are incomplete in some way. The periods quoted above run from the date when all the necessary documents have been received.

Completing the Grant

Choosing and employing the builder and the timing of the works is the responsibility of the applicant. The grant will be paid when the works have been completed to the satisfaction of the Council. Thus another inspection is required at the completion of the works

We will provide a final or interim inspection within 5 days from the request from the applicant.

We will pay the grant within one month of the inspection, if the works and invoices are satisfactory.
Payment will be made directly to the contractor unless there is a dispute or good reason why this should not happen.

Problems during or after the completion of works.

It is important that applicants realise that the legal and contractual relationship for works to be undertaken at their property is between them and the contractor, not the Council and the contractor. Any disputes will be required to be resolved between the applicant and the contractor, however, the Council will seek to assist or offer advice in dispute resolution.

General

Information concerning the administration of grants is also contained within the Council’s service charter for private sector housing which is sent to all grant enquirers and in Environment Charter 10 published by the Environmental Services Department.

For 2008/9 the Council has allocated £200,000 for private sector grants, loans and other enabling initiatives and £600,000 for disabled facilities grants. Funding levels for 2009/10 will be agreed during 2008/9

The Council will have regard to legislation and guidance issued by Government in the pursuit of the objectives of this policy.

Appeals

Where an application for grant is refused an applicant can appeal against the decision for the Council’s refusal setting out the grounds and reason for the appeal. The appeal will be considered by the Director of Environment and Regeneration or an officer authorised on her behalf and a written response setting out the decision will be provided within 21 days of an appeal being made.

Complaints

If you have any comments, suggestions or complaints you would like to make about this policy, or any other housing matters you would like to bring to the attention of the Council please write to The Environmental Health Manager, London Borough of Merton, Civic Centre, London Road, Morden SM4 5DX or Telephone 020 8545 3002 or email mike.barrett@merton.gov.uk

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