



Home Improvement Loan Guidance Notes

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What is a Home Improvement Loan?

Wigan Council can provide a Home Improvement Loan of up to £30,000 to pay for works that are needed to make your home meet the Government's Decent Homes Standard. This includes works to:

- remove any serious hazards to health and safety;
- remedy serious disrepair (e.g. severe dampness, structural problems or unsafe electrical wiring);
- modernise bathroom and kitchen facilities that are inadequate, missing or old; or
- provide effective insulation and efficient heating (where alternative funding is not available).

The Home Improvement Loan is secured on your home and is only repaid when you sell or dispose of your home. **There are no weekly or monthly repayments and no interest is charged.**

Home Improvement Loans are not available to carry out works of routine maintenance and general repair. They are also not intended to be used for creating extra rooms by providing alterations, conservatories, extensions or loft conversions.

Funding for Home Improvement Loans is provided to make homes in the borough meet the Decent Homes Standard. Therefore, we may ask for certain works to be carried out to make your home meet the Decent Homes Standard even though you may think they are not necessary.

Important:

Please do not begin any works now, as we cannot provide a Home Improvement Loan for works that have already been started before we have surveyed your home and approved your application.

Who can apply for a Home Improvement Loan?

To qualify for a Home Improvement Loan, you **must** meet the following requirements:

- You must be aged 18 or over when you apply for a Home Improvement Loan.
- You must own your home as a freeholder or leaseholder (with at least five years of the lease remaining).
- You must occupy your home as your only or main residence.
- You must have owned (as a freeholder or leaseholder) and lived in your home for at least three years. This rule does not apply to homes in Renewal Areas.
- You must receive at least one of the following income-related benefits:
 - Council Tax Benefit (not just the Single Person's Discount);
 - Guarantee Credit of Pension Credit (not just the Savings Credit);
 - Income Support (or Income-based Employment and Support Allowance);
 - Income-based Jobseeker's Allowance (not Contribution-based); or
 - Working Tax Credit (not just Child Tax Credit).
- You must have a current buildings insurance policy and agree to maintain it for as long as the Home Improvement Loan is in place.

- You must not be able to access funding for the works from an alternative source (e.g. Coal Authority, Insurance Policy, Warm Front Grant).
- You must agree to the Home Improvement Loan conditions that relate to the occupation and sale of your home after the works have been completed.

In addition, your home **must** meet the following requirements:

- Your home must have been built or converted at least 20 years ago.
- Your home must not meet the Decent Homes Standard and improvement must be the best way of dealing with it.

General Notes

The Council will decide, in accordance with its policy, on who to give Home Improvement Loans to and what works can be funded.

We will compare the cost of the works that are needed to make your home meet the Decent Homes Standard with the value of your home, after deducting the amount of any secured loans and mortgages, in order to decide whether it is appropriate to give a Home Improvement Loan.

Home Improvement Loans are offered subject to the availability of resources in each financial year and are normally given on a first-come first-served basis.

If you take up our offer of a Home Improvement Loan, we will pay your contractor direct after the works have been completed satisfactorily. Payment will not be made to you.

If you live in one of our Renewal Areas, we may decide to offer you a Block Improvement Grant in addition to a Home Improvement Loan as part of our programme for improving the block of homes that you live in.

If you do not qualify for a Home Improvement Loan because of the Council's policy, you may be able to appeal. See page 16 for details of the appeal procedure.

If you do not qualify for a Home Improvement Loan but still wish to get the works done, you may find the enclosed "Having work done on your home" booklet useful. Please contact us if you have not received a copy.

The Wigan Borough Home Improvement Agency may also be able to help you by providing advice on alternative ways to finance the works. Their contact details can be found on page 19.

How we work out a Home Improvement Loan

The Home Improvement Loan will meet the cost of the eligible works, based on the lowest reasonable contractor's estimate, up to a maximum of £30,000.

An additional **non-repayable grant** is provided to cover professional fees.

You will be under no obligation to take up the Council's offer of a Home Improvement Loan.

You have complete discretion as to where you obtain your loan from and you may wish to seek advice from an independent financial adviser.

Examples of how Home Improvement Loans are calculated

Example 1

Renewing a leaking roof and installing a Damp Proof Course.

Cost of the works (including VAT):	£8,000
Council Fees (at 12.5% plus VAT):	£1,175
Total Cost:	£9,175

Loan (maximum £30,000):	£8,000
Grant (for professional fees):	£1,175
Your Contribution:	£0

Example 2

Renewing a leaking roof, installing a Damp Proof Course, rebuilding defective front and gable house walls, renewing dangerous electrical wiring and replacing an old bathroom suite.

Cost of the works (including VAT):	£32,000
Council Fees (at 12.5% plus VAT):	£4,700
Total Cost:	£36,700

Loan (maximum £30,000):	£30,000
Grant (for professional fees):	£4,700
Your Contribution:	£2,000

Home Improvement Loan Conditions

Home Improvement Loans are repayable in full on the first sale or disposal of your home. No waiver or reduction will be applied to this amount. All money repaid will be used to help other people in need of a Home Improvement Loan.

If your home is registered at the Land Registry, you must agree to the Council registering a Restriction on the Proprietorship Register and a Legal Charge on the Charges Register for the property at the Land Registry.

If your home is not registered at the Land Registry, you must agree to the Council registering a Land Charge at the Land Charges Department.

This will prevent the sale or disposal of your home without the Council's written consent.

Who does the works?

The works must be carried out by a contractor currently on the Council's registered contractor's list.

Registered contractors go through an exhaustive evaluation procedure that includes checks on their:

- environmental policy;
- equality policy;
- financial standing;
- health and safety policy;
- insurance cover; and
- membership of the appropriate competency schemes.

Registered contractors are required to carry out all work in strict accordance with a detailed Master Specification. This helps to ensure that good building practice is followed and that the materials used and methods applied lead to a good standard of work. In addition, they are expected to maintain high standards of customer care at all times.

We carry out regular checks to ensure these standards are maintained and we seek feedback from you both during and after the completion of the works. An ongoing evaluation system is in operation and any contractor who fails to maintain standards is firstly warned and then removed from the registered contractor's list.

Registered contractors are also required to provide a comprehensive guarantee for the works, which is backed-up by the Council.

Estimates

The Council will provide you with a Schedule of Works to allow you to seek estimates from registered contractors.

When you get the estimates back we will discuss them with you. It is usual for the contractor who submitted the lowest price to be appointed to do the works, but the final choice of contractor is entirely up to you.

If you choose to appoint a contractor who has not submitted the lowest price or if your chosen contractor's price is higher than the Council's maximum estimated price, the difference will have to be paid by you.

If you are unhappy with any aspect of the service offered by your chosen contractor, please ask us for another copy of the Schedule of Works and get another estimate from a different registered contractor.

If you are worried about this, the Wigan Borough Home Improvement Agency may be able to help you in selecting and appointing a contractor. Their contact details can be found on page 19.

Please remember:

- The contractor does not work for the Council.
- The contractor is employed by you and works for you.
- The Council provides a Home Improvement Loan so that you can get the works done, but the contract of work is between you and your chosen contractor.

Additional Works

If you want to carry out privately financed additional works to your home, you can often get a more competitive price when a contractor is already on site.

You can ask your contractor to price separately for privately financed additional works. If you choose to proceed with the additional works, your contractor will invoice you separately when the works have been completed.

The Council will not be involved in the supervision of, or payment for, any privately financed additional works.

Insurance and Legal Claims

Your home must be insured in order to make an application for a Home Improvement Loan.

If you have a claim on your home insurance, or against someone else, for works that are included in your application, we will deduct that amount from the available Home Improvement Loan.

If we decide to give a Home Improvement Loan for all the works before you receive your insurance or legal claim, you will have to repay this amount once you receive your claim.

Private Sector Housing Home Improvement Service

Our Private Sector Housing Home Improvement Service is provided by a team of specialist surveyors who are employed by the Council to process Home Improvement Loans.

What services will be provided?

- ❖ Helping you to fill in forms and giving advice on application procedures.
- ❖ Surveying your home.
- ❖ Producing any drawings that are needed.
- ❖ Co-ordinating the various organisations and specialist advisors involved such as Architects, Structural Engineers and Building Control.
- ❖ Preparing a Schedule of Works in line with the Council's requirements.
- ❖ Assisting with getting prices from registered contractors for you to consider.
- ❖ Submitting an application for a Home Improvement Loan for you.
- ❖ Helping to arrange alternative accommodation where it is needed and liaising between you and your contractor to arrange a start date.
- ❖ Undertaking site visits at commencement, during and on completion of the works to make sure that your contractor is carrying out the works to a satisfactory standard and that they are progressing as they should be.

- ❖ Valuing the works whilst they are ongoing and on completion and arranging for payments to be made to your contractor.
- ❖ Ensuring that all specialist certificates and guarantees that relate to the works are provided and returned to you for safekeeping.

How much does it cost?

We charge a fee of 12.5% of the total cost of the works plus VAT, with a minimum charge of £100 plus VAT. A **non repayable grant** will cover this cost, so it will cost you nothing.

Getting advice

You may wish to get advice from a qualified person when you are considering more complex work. If you wish to use an agent or consultant, you must provide their details on the enquiry form so that we may contact them.

The Wigan Borough Home Improvement Agency may also be able to help. Their contact details can be found on page 19.

If you decide to use an agent or consultant, their fees will be covered by a **non repayable grant**. However, if you decide to withdraw your application or if we cannot approve a Home Improvement Loan then you will have to pay their fees.

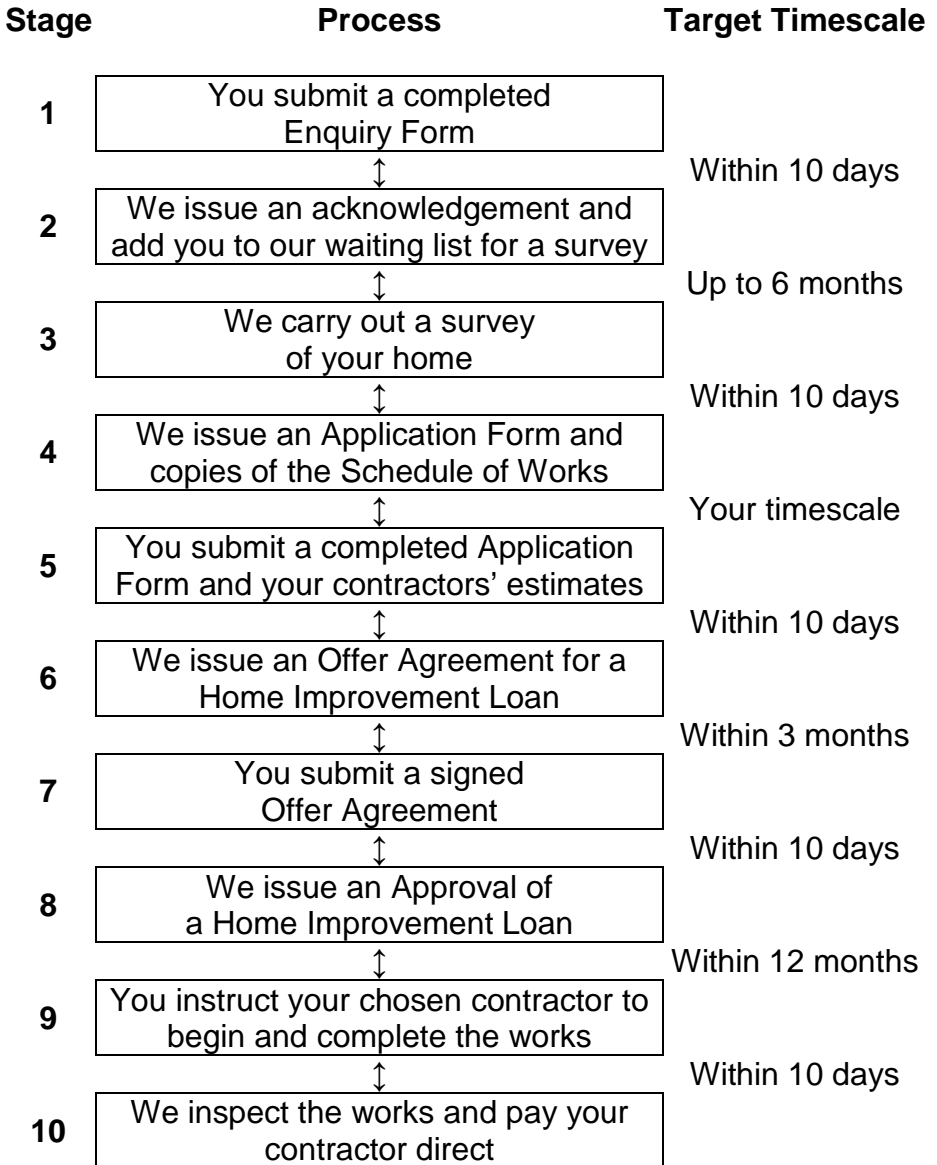
Customer Charter

Our Private Sector Housing Home Improvement Service is committed to providing a fair, responsive and cost effective service. The service that you receive will be monitored against a number of challenging performance standards.

- All Home Improvement Loan enquiries to be processed and acknowledged within **10 working days** of receipt.
- All Schedules of Works to be issued within **10 working days** from the date of survey.
- All Home Improvement Loan Offer Agreements to be issued within **10 working days** of receipt of a full application.
- All Home Improvement Loan Approvals to be issued within **10 working days** of receipt of a signed Offer Agreement.
- **80%** of customers to be satisfied with the level of service provided by the Private Sector Housing Home Improvement Service.
- All Home Improvement Loan applicants to be aware of the Appeal Procedure and the Council's Complaints Procedure and how they can be accessed.

Home Improvement Loan Process

This diagram illustrates the stages involved in the Home Improvement Loan process and our target timescales.



Appeal Procedure

If you do not meet the qualifying requirements listed on pages 4 and 5, we will not normally offer a Home Improvement Loan. A written notification will be sent to you giving the Council's reasons for refusal.

If you do not qualify you may appeal in writing to:

Private Sector Housing Manager
Places Directorate
Wigan Council
PO Box 100
WIGAN
WN1 3DS

Your appeal is more likely to be successful if:

- there is an immediate danger to the people living in your home or the general public; **and**
- you cannot raise money, get an alternative loan based on the value of your home, or get an insurance payment to deal with the problem.

If you want to appeal, you may have to give us evidence to support your argument.

On receipt of an appeal, a senior officer independent of the original officer will review the case and advise you of the outcome. You will then have a period of 21 days to decide if you wish to continue with your appeal.

If you choose to continue with your appeal, the case will be referred to a Council panel. The panel will consider your appeal and you will be notified in writing of their decision.

Complaints Procedure

We aim to provide a high quality service at all times. To improve our standards, we want to know what you think about the service you have received. We would also like to know if you think we have got things wrong or when you have any suggestions that may improve our service.

Informal Stage

Please speak to the officer dealing with your case about your complaint or suggestion. We will try to resolve any problems to your satisfaction immediately.

Formal Stage 1

If you are unhappy with our response at the Informal Stage, please write to:

Private Sector Housing Manager
Places Directorate
Wigan Council
PO Box 100
WIGAN
WN1 3DS

A manager will investigate your complaint and send you a response within 10 working days, or a holding letter telling you when to expect a response.

Formal Stage 2

If you are unhappy with our response at the Formal Stage 1, a Director or Head of Service will review how your complaint was handled. You will receive a response within 15 working days, or a holding letter telling you when to expect a response.

Formal Stage 3

If you are unhappy with our response at the Formal Stage 2, the Chief Executive, or Deputy, will review how your complaint was handled at both the previous stages. You will receive a response within 15 working days, or a holding letter telling you when to expect a response.

Ombudsman

If all the stages of our complaints process have been followed and you are still unhappy with our response, you can ask the Local Government Ombudsman to carry out a review.

Fraud

Wigan Council supports the prevention and detection of fraud and is taking part in the Audit Commission's National Fraud Initiative.

Accordingly, we must advise you that we may check the information you give to us with other information we hold and with other Government Departments and Local Authorities.

We will not give information about you to anyone outside Wigan Council, or use information about you for any other purposes, unless the law requires us to do so.

It is important that you give us full and accurate answers to the questions on our forms. Please contact us if you are unsure of anything or if you need help.

More information on the Council's role in the National Fraud Initiative can be obtained by telephoning the Council's Internal Audit Section on 01942 828025.

Other information and help

“Having work done on your home” booklet

If you do not qualify for a Home Improvement Loan but still wish to carry out works, please refer to the enclosed “Having work done on your home” booklet. Please contact us if you have not received a copy.

Wigan Borough Home Improvement Agency

The Wigan Borough Home Improvement Agency can provide advice and information to help you to improve, maintain or repair your home. They can also provide advice on alternative ways to finance the works, if a Home Improvement Loan is not available.

Wigan Borough Home Improvement Agency
Pennyhurst Mill
Haig Street
WIGAN
WN3 4AZ
Phone: 01942 239360

Heating and Insulation Schemes

If you want information on the schemes available to improve the heating and insulation of your home, please complete and return the enclosed Home Energy Check. Please contact us if you have not received a copy.

Energy Saving Trust Advice Centre
Phone: 0800 512 012
Website: www.est.org.uk

This booklet is intended to be a guide to Home Improvement Loans and does not give you full details about the Council's policy. If you have any questions or require more information about Home Improvement Loans, please contact us:

Private Sector Housing
Places Directorate
Wigan Council
PO Box 100
WIGAN
WN1 3DS

Phone: 01942 489220
E-mail: psh@wigan.gov.uk

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The information in this booklet can be made available electronically or in large print. Please telephone 01942 489220 or e-mail: psh@wigan.gov.uk

www.wigan.gov.uk/psh