

Housing Financial Assistance Policy

1st APRIL 2011- 31ST MARCH 2014

Private Sector Housing Renewal Financial Assistance Policy - Contents

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Introduction

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO HA2002), which came into force on 18 July 2002 gives local authorities wide powers to provide assistance to private homeowners for repair, renovation and relocation. This assistance can be done by both grants and loans. Offering loans to those who are unable to obtain commercial loans by a system of equity release on their property to carry out repairs linked to housing advice for financial assistance.

The RRO gives Sunderland City Council wide ranging powers to improve living conditions in the city by providing assistance to the private sector for housing renewal. The assistance is based upon arrangements to

- tackle poverty,
- promote social inclusion,
- reduce health inequalities,
- the repair and improvement of defective private housing, and,
- ensure neighbourhoods do not fall into decline.

The Housing Act 2004 (the Act) updates and amends a duty previously contained within the Housing Act 1985 (and predecessor legislation) for a local housing authority to keep the housing conditions within their area under review with a view to identifying any actions that may need to be taken under the provisions of the Act which includes amongst others, the RRO HA 2002.

It is recognised by the government and Sunderland City Council that the **primary responsibility for the maintenance of domestic dwellings rests with the owners of the property**. Provision of financial assistance for homeowners is discretionary and Sunderland City Council recognises that acknowledged that there are a proportion of property owners who, through force of circumstance, are unable to afford the upkeep of their property and hence it falls into disrepair/unfitness/non-decency over time. It is towards those households living in the poorest economic circumstances and experiencing the worst housing conditions that priority for assistance will be directed.

Likewise the provision of mortgages is also discretionary and will be subject to the necessary finance being available. Paragraph 1 of Schedule 16 to the Housing Act 1985 specifies how local authorities must set interest rates on mortgages arranged since 3 October 1980. Authorities must charge whichever is the higher of:

- The Standard National Rate (SNR) which is set by the Secretary of State, or
- The applicable local average rate, based on the Authority's own borrowing costs

The Council is committed to developing local plans to meet local needs and recognises that housing renewal intervention to address areas identified as falling into decline can play a lead role in supporting regeneration and enabling neighbourhoods to become more desirable and sustainable. Similarly, the provision of mortgages will also be principally targeted at supporting strategic and regeneration initiatives so that the best possible outcomes for people and the city are achieved.

In 2002 the Government amended the Homelessness Legislation through the Homelessness Act 2002 and the Homelessness (Priority Need for Accommodation) (England) Order 2002. In part this amendment aimed to ensure a more strategic approach to tackling and preventing homelessness. As this more preventative agenda continued to grow a new revised Code of Guidance was published in 2006 which a Local Authority is required to have regard to in exercising their functions under part 7 of the Housing Act 1996. The Council has fully embraced this preventative agenda and has ensured that the prevention of homeless is now at the fore of all housing advice enquiries.

As part of this agenda a number of new functions have been created within the Housing Options Team to assist customers. Of relevance to this policy are:

- Bond guarantee scheme
- Repossession prevention fund
- Mortgage rescue scheme

By introducing these functions it is hoped that the council will be able to remove the need for any citizen to become homeless by being in a position to offer more individually tailored housing solutions.

The Policy

The current Private Sector Housing Renewal Financial Assistance Policy has been operating since 1st April 2008 and is due to be reviewed and updated by 31st March 2011. The revised '**Housing Financial Assistance Policy**' takes account of experience to date, builds on the work already completed in relation to private sector housing renewal within the city, reflects current national housing policy and the revised policy will supersede the existing policy.

At a national level there are some key governmental principles emerging in the current age of austerity, one being :

- Putting communities in charge and **getting more for less**

In relation to housing renewal this means driving value for money, identifying savings opportunities and challenging spending in all areas of work, including expenditure on contracts and programmes.

There are some key government themes emerging which are:

- Fiscal constraints: tackling budget deficit
- Protecting vulnerable people
- Decentralisation
- Localism

The Coalition government has acknowledged that much work is required to the nation's housing stock, and, through the Coalition's programme for government a key theme is '**protecting vulnerable people**' in a changing environment in which to deliver the housing priorities.

- Protecting the vulnerable and disadvantaged tackling homelessness and supporting people to stay in their homes
- Making sure that homes are of high quality and sustainable

The last private sector stock condition survey in Sunderland was completed in 2007 and published in July 2008. The survey found that The City contains 89,521 private dwellings and it detailed that there were 24,125 vulnerable households (72.2%) living in decent homes exceeding the government target of 70%. Housing conditions in the City are better than the National average for private housing, however 20,766 dwellings (23.2%) are non-decent, 8,729 dwellings (9.8%) exhibit Category 1 hazards and 2,482 dwellings (2.8%) are unfit.

‘Sunderland’s Housing Priorities Plan’ (**SHPP**) agreed in November 2010 sets out the city’s housing priorities which are based upon, and related to the achievement of the government’s key themes, and our priorities in the early stages of the SHPP are therefore focussed on **older people and homelessness**. The city’s housing priorities are aligned to aid in the delivery of the Economic Master Plan vision which aims to deliver Sunderland as ‘ **An entrepreneurial University City at the heart of a low carbon regional economy** ’.

The main housing priorities in Sunderland, as detailed and agreed within the SHPP are:

- Ensuring that the correct balance of housing is developed on sites across the city and that affordable social housing is prioritised on appropriate sites to ensure that the housing needs of those in the greatest social need are met
- Work with developers to ensure that “land banked” development sites are brought forward for development
- Work with Registered Providers (Housing Associations) to discuss and agree their priorities for investment in Sunderland and ensure that they understand and work to the strategic objectives as set out in this plan
- Improving the thermal performance of homes and achieve the objectives as set out in our ‘Low Carbon Homes Plan’
- Providing more appropriate accommodation for homeless people, including tackling the high concentration of hostel accommodation in the Sunnyside area
- Implementing our Enabling Independence Strategy as supporting an ageing population and developing in excess of 1,350 units of mixed tenure extra care accommodation over the next five years after which there will be an ongoing review of needs
- **Citywide programme of adaptations to support people to live independently in their own homes**

- **Citywide housing advice and assistance, including a range of loan products to help support homeowners to live independently in their own homes. The Home Improvement Agency is working alongside the Regional Home Loans Partnership to alleviate hazards in owner occupied properties.**
- **Handypersons and Minor Alterations Service for vulnerable residents to promote independent living and reduce the risk of slips, trips and falls**
- Enforcement work city wide which works in partnership with landlords to invest in properties in disrepair and thus creating the best possible standards of accommodation in the private rented sector.
- Working with owners to invest in empty properties and bring them back into use and to consider different models of investment in the private rented sector.

A clear aim in Sunderland being ‘meeting the accommodation needs of all **vulnerable and socially excluded people** – especially the needs of an **ageing population** and ensure that we enable fulfilled lives in later life’.

Policy Aims

The primary aims of the Financial Assistance Policy in Sunderland are to:

1. Provide all vulnerable residents living in the private sector with the opportunity of living in a decent home for as long as possible as to **sustain** them in their own home
2. Target those at **greatest risk and need** – especially in relation to fuel poverty and improve energy efficiency
3. Work with **partners** to reduce crime, the fear of crime, ill health, inequalities and promote sustainability, access to housing, social inclusion and fairness as well as provide a quality housing advice and assistance service
4. Promote and support opportunities for **securing investment** in private sector housing, maximise funding opportunities and tackle unsafe, sub-standard properties, return empty properties back into use and support regeneration and renewal initiatives

5. Utilise the Council mortgage scheme where a gap in the commercial market exists to **unlock housing finance** as to enable properties to become available for purchase and sale; and aid in the delivery of strategic housing priorities and facilitate access to the housing market
6. **Targeting of resources** linked to developing neighbourhood plans for **areas most in need**
7. **Support** the Council's private sector enforcement programme to ensure continuous improvement in housing conditions

Summary of assistance available

Ref No	Type of assistance available	Product Details	Eligibility	Other Information	Cost	Outcome
ADVICE AND GUIDANCE						
FAP1	Advice and Information	The Council will provide residents with a range of advice and relevant information on maintaining their own homes and specific schemes such as relocation, council mortgages, bond schemes and prevention of eviction / repossessions	Available to all residents and prospective residents of Sunderland	The Housing Service provides advice on a range of housing matters, including: <ul style="list-style-type: none"> • Home Improvements • Adaptations • Hazards and defects around the home • Empty Properties • Landlords accreditation and licensing • Enforcement • Access to housing guidance • Management of private rented properties • Area renewal 	Free of charge	Decent homes that are well maintained Safe and secure homes and neighbourhoods People empowered to stay in their own homes Stimulate and strengthen housing markets Housing needs are met
FAP2	Project Management	The Council will provide homeowners with project management assistance in relation to works of adaptation, improvement or repair	Available to all homeowners	The project management assistance available will include, but it is not necessarily restricted to, property survey, preparation of schedule of works, procurement of a contract and oversight of works to be carried out	A fee of 12% of the cost of works will be charged for this service	People empowered to stay in their own homes Safe and secure homes and neighbourhoods Decent homes that are well maintained

Ref No	Type of assistance available	Product Details	Eligibility	Other Information	Cost	Outcome
FINANCIAL ASSISTANCE – HOME IMPROVEMENT LOANS						
INDEPENDENT FINANCIAL ADVICE						
FAP 3	Independent Financial Advice	To provide homeowners with independent advice about the most appropriate source of funding for home improvements, relocation and house purchase to meet their specific financial circumstances	The service is available to homeowners in Sunderland where an initial financial assessment by the Council has shown that they may be able to access a commercial or Local Authority loan product	Independent Financial Advice is offered by professionals who offer unbiased advice on financial matters and recommend suitable financial products from the whole of the market	Independent Financial Advice is free to all homeowners referred via the Council	To enable homeowners and prospective homeowners to make informed choices about the financial options available to them for home improvements, adaptations, relocation and house purchase
COMMERCIAL LOAN PRODUCT						
FAP4	Commercial Loan Product	To enable the homeowner to maintain their own property or to relocate to another, through accessing finance via a commercial loan product	Following an initial financial assessment carried out by the Council, homeowners will receive independent financial advice which will determine whether they are able to access a commercial loan product on reasonable terms	The criteria for lending will be determined by individual lending institutions	The fee will be set by the commercial lender and paid by the homeowner	Homeowner accesses funding to carry out repairs or improvements to their home or to relocate to an alternative home in clearance areas

LOCAL AUTHORITY PRODUCTS

Ref No	Type of assistance available	Product Details	Eligibility	Other information	Cost	Outcome
FAP 5	Capital and Interest Repayment Loan	<p>This product is a Local Authority Loan and is secured against the property. It is suitable for homeowners who have sufficient income to make repayments</p> <p>Homeowners can borrow a maximum of £15,000 and a minimum of £500 over a fixed term, depending on individual circumstances</p> <p>Loans of more than £3000 will be secured with a legal charge against the home. For loans of less than £3000 a local land charge will be used</p> <p>Assistance is discretionary and subject to the availability of finance</p>	<p>An initial financial assessment will be carried out by the Council and if the applicant is eligible independent financial advice will be given to ascertain the most appropriate loan product based on their individual circumstances and the value of work required. Local Authority Loans are only available when commercial loans can not be accessed on reasonable terms</p> <p>The required works must contribute to meeting the Decent Homes Standard</p> <p>The owner occupier must have lived in the property for at least 1 year</p>	<p>The loan will be available for works that contribute to the decent homes standard or to meet the cost of providing disabled facilities / adaptations that are not statutorily met</p>	<p>A fee for loan administration and for Council services will be chargeable, however these will be covered by the Council</p>	<p>Homes are improved to the Decent Homes Standard</p> <p>Safe and secure homes and neighbourhoods</p> <p>Work to provide an adaptation for a disabled person.</p>

Ref No	Type of assistance available	Product Details	Eligibility	Other information	Cost	Outcome
FAP 6	Home Improvement Equity Loan	<p>This product is a Local Authority Loan and will meet the needs of homeowners who do not have sufficient income to afford repayments on a loan, but have sufficient equity in their properties</p> <p>Homeowners can access up to 80% of the available equity in their home, to a maximum of £35,000, and from a minimum of £500. In certain circumstances, a larger loan than the maximum of £35,000 may be available at the discretion of the Council, subject to the amount of available equity in the property.</p> <p>Assistance is discretionary and subject to the availability of finance</p>	<p>Available to home owners who are unable to access a commercial loan product on reasonable terms and is unable to make monthly repayments on a Capital and Interest Repayment loan</p> <p>An initial financial assessment will be carried out by the Council and if the applicant is eligible independent financial advice will be given to ascertain the most appropriate loan product.</p> <p>The required works must contribute to the Decent Homes Standard</p> <p>The owner occupier must have lived in the property for at least 1 year</p>	<p>Equity loans are repaid when the homeowner disposes of the property, when the property is sold; on transfer of ownership; on request of the homeowner or on death of the owner.</p> <p>The amount of the loan will be translated into a percentage of the property value at the time the loan is made.</p> <p>The percentage will be used to calculate the amount to be repaid, and the total amount repayable will reflect the new value of the property. The minimum amount payable will be the amount borrowed.</p>	<p>A fee for loan administration and for Council services will be chargeable, however these will be covered by the Council</p>	<p>To enable homeowners to improve their homes to a decent homes standard</p> <p>To enable occupiers to stay in their own homes</p> <p>To support homeowners in clearance areas to relocate to an equivalent property elsewhere</p> <p>To bring empty homes back into use</p>

Ref No	Type of assistance available	Product Details	Eligibility	Other Information	Cost	Outcome
FAP7	Interest Free Loans	<p>To provide eligible homeowners with financial assistance that will enable them to remain in their home and ensure that the home meets the Decent Homes Standard. The maximum amount of loan is £35,000</p> <p>In certain circumstances a loan above the limit may be available subject to the discretion of the Council</p> <p>Assistance is discretionary and subject to the availability of finance</p>	<p>Available to eligible homeowners who are unable to access a commercial loan product on reasonable terms or a Local Authority Equity Loan or Repayment Loan as identified by a financial assessment. Used as a last resort. The required works must contribute to meeting the Decent Homes Standard</p> <p>The owner occupier must have lived in the property for at least 1 year</p>	<p>The property fails to meet elements of Decent Homes Standard ,with priority being given to measures required to alleviate serious risk of harm under Housing, Health and Safety Rating System and to properties within Renewal Areas</p> <p>Only one interest free loan will be available for a property in a five year period</p> <p>A charge is placed against the property and the loan will be repaid to the Council once the property is disposed of</p>	<p>A fee will be charged for loan administration however these will be covered by the Council and are not included in the loan</p>	<p>Homes are improved to Decent Homes Standard</p> <p>Safe and secure homes and sustainable neighbourhoods</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
ADAPTATIONS						
FAP 8	Mandatory Disabled Facilities Grant (DFG)	<p>To provide eligible disabled applicants with financial assistance for adaptation works</p> <p>The current grant limit for DFG is £30,000</p>	<p>DFGs are available to owner occupiers, landlords or tenants, who have (or in the case of the landlord, whose tenant has), been assessed as having a need under the council's statement of purpose for the provision of structural alterations to property</p>	<p>Eligible works are works that are required in order to provide essential adaptations for people with disabilities to access the facilities within their permanent place of residence.</p> <p>The work must be necessary and appropriate and meet the needs of the disabled persons.</p> <p>It should be reasonable and practical to carry out the relevant work having regard to the age and condition of the qualifying property or dwelling</p>	<p>Grant awards are subject to a financial test of resources (not applicable to children / young people), which in some circumstances may result in a contribution from the applicant.</p> <p>A fee will be charged for Council services and these will be covered by the Council</p>	<p>Enable residents to live independently for as long as possible in their own homes</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
FAP 9	Discretionary Assistance (loan or grant) for disability related adaptations or relocation	To provide eligible disabled applicants with financial assistance that helps them to live independently but the works do not qualify to be funded by the mandatory DFG grant	Available to home owners who are unable to access a commercial loan product on reasonable terms for: 1. Contribution to DFG 2. Works above the DFG mandatory grant limit 3. Relocation, where it is more practical than adapting the current property Grant is available: 4. In palliative care cases up to a maximum of £6,000 5. Where the customer is a child and the parents are separated but have joint custody arrangements. Assistance maybe available to provide adaptations in the secondary home	Applicants must qualify for DFG based on a needs assessment carried out by an Occupational Therapist or their representative In the case of 1,2 & 3 an initial financial assessment will be carried out by the Council and if the applicant is eligible, further independent financial advice will be given to ascertain the most appropriate loan product. Local Authority Loans are only available when commercial loans can not be accessed on reasonable terms See FAP 5,6 &7 for more detail about the specific loans and charges	A fee for loan administration and for Council services will be chargeable, however these will be covered by the Council	Enable residents to live independently for as long as possible in their own homes

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PROMOTING INDEPENDENT LIVING						
FAP 10	Handypersons Service	The Handypersons Service is available to help residents carry out small repairs and maintenance work	Available to customers over the age of 60 OR is disabled OR in receipt of a care package These may change during the lifetime of this policy	The customer is unable to complete the work themselves There are no friends or family who are able to complete the work The customer does not have the finances to pay privately to have the work completed	There is a nominal cost for the work to cover the cost of materials. The customer will agree prior to the work taking place	Prevent hazards around the home and prevent homes falling into disrepair Enable residents to live independently for as long as possible in their own homes

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
WARM HOMES						
FAP 11	Sunderland Energy Efficiency Programme	Energy Advice	Available to all residents in Sunderland	None	Free of charge	Help to reduce Fuel Poverty and promote energy efficiency and carbon reduction
		Warm Front Grant is a Government-funded initiative and the scheme is managed by EAGA (available until 2013)	Warm Front Grant is available to householders who are over 60 years old or have a child under 16 years old AND are in receipt of certain benefits. It may also be available to householders who do not meet the above eligibility criteria but who are in receipt of certain benefits	Information about the Warm Front Scheme is available from EAGA	The Warm Front Grant provides a package of insulation and heating improvements up to the value of £3,600. Applicants will be required to fund the difference of any works beyond the value of £3,600	Make homes warmer, healthier and more energy-efficient
		Specific schemes to meet energy efficiency and carbon reduction outcomes within Sunderland	Specific schemes will be developed and individual eligibility criteria set	Individual criteria will be developed on a scheme by scheme basis and may be dependent on funding stream requirements	To be determined on a scheme by scheme basis	Improve the energy efficiency of vulnerable people's homes and reduce fuel poverty and carbon emissions
		Home Insulation Measures	Available to all homeowners and private landlords		If in receipt of qualifying benefits or over 70 – free of charge If there is a child in the household – £49 All others - £79	

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
AREA RENEWAL						
As the needs of each area are identified, a range of renewal assistance will be offered which may include the following:						
FAP 12	Financial and practical assistance support in connection with Block Improvement Schemes	<p>To achieve renovation and improvement of properties within defined areas in line with Housing Strategy priorities</p> <p>The assistance provided may be financial and / or the Council may itself (or through an appointed contractor or contractors), with the agreement of owners, undertake works to properties</p>	<p>The various forms of financial assistance will become available for specific blocks or groups of properties identified via comprehensive area assessments.</p>	<p>Assistance will be available to owner occupiers and may also be available to accredited or licensed landlords subject to a contribution</p>	<p>Contributions may be required and will be determined on a scheme by scheme basis and agreed by Cabinet</p>	<p>Contribute to meeting the Decent Homes Standard and promoting confidence in areas</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
FAP 13	<p>Relocation Home Equity Loan</p> <p>Relocation loans are used in conjunction with statutory compensation, home-loss and disturbance payments</p>	<p>This is a Local Authority Loan available to support owner occupiers needing to relocate from a property designated for clearance, within eligible areas. Loans will be used to meet any difference in cost between the home being cleared and the replacement home subject to eligibility criteria</p>	<p>Eligible areas will be determined from time to time over the life of this policy</p> <p>Owners in eligible areas who are unable to access a commercial loan product on reasonable terms may access up to 50% of the value of their replacement property up to a maximum ceiling of £35,000</p>	<p>To support owner occupiers in clearance / renewal areas to relocate to an equivalent property elsewhere within the Tyne and Wear partnership area or a neighbouring authority within County Durham</p>	<p>An administration fee will be chargeable, which will be included within the loan provided</p>	<p>Ensuring that homeowners within clearance areas are not disadvantaged by clearance by enabling them to remain within the tenure of their choice</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
FAP 14	Homeswap and Homesteading	<p>Homeswap To enable residents in clearance areas to relocate into a 'like for like' property</p> <p>Homesteading To offer residents in clearance areas a renovated (previously empty) acquired property in a sustainable neighbourhood within the same area</p>	Owner Occupiers within clearance / renewal and redevelopment areas	<p>'Like for like' principle rests upon the availability of a property of similar value and character</p> <p>The property will be in the ownership of the Council or one of it's regeneration partners</p>	The applicant will be required to fund any difference in value if the new property is of a higher value than the original property. Relocation assistance may be available (see FAP 13)	<p>Re-house residents in an affordable and sustainable manner</p> <p>Contributes to bringing empty properties back into use to meet relocation requirements in renewal areas</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
EMPTY HOMES ASSISTANCE						
FAP 15	EMPTY HOMES ASSISTANCE	<p>To achieve a reduction in the number of vacant properties where there is proven demand for the property type and the area in which it is located</p> <p>To provide a financial incentive with a view to returning vacant residential premises back into sustainable use and to achieve a reduction in the overall number of vacant properties across the City</p>	<p>Assistance to prospective owner occupiers will normally be provided in the form of a loan (see FAP 5,6,7) following independent financial advice.</p> <p>Empty property assistance may be available towards 50% of eligible works costs for accredited landlords and owner/occupiers if they are unable to access a loan from a commercial lender on reasonable terms.</p> <p>Grant / loan limit of £35,000 applies</p> <p>Assistance is discretionary and subject to the availability of finance</p>	<p>Only prospective owner occupiers and accredited landlords will be eligible and assistance will not be considered for an existing owner under whose tenure the premises have fallen into disrepair</p> <p>The property must have been empty for at least 6 months.</p> <p>Only properties situated in specified areas will be eligible</p> <p>In the case of an accredited landlord receiving 'empty homes assistance' the property must be available for letting for a five year period and the council must receive nomination rights from the landlord</p>	<p>When the property is disposed of full payment of the original loan amount will be required. See specific repayment information in FAP 5,6,7)</p> <p>Assistance is discretionary and subject to available finance. The Council will also determine priority status of the empty homes and /loans will only be awarded to fund repairs or improvements deemed essential to meet the decent homes standard.</p> <p>Loans will be entirely at the Council's discretion and will only be considered for properties determined by the Council as requiring intervention and warranting incentive for renovation.</p> <p>An administration fee will be chargeable, which will be included within the loan / grant provided</p>	<p>Bringing empty properties back into use, contributing to both area regeneration and decent homes outcomes</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
ACCESS TO HOUSING						
FAP 16	Mortgages	<p>Council Mortgages will meet the needs of prospective homeowners who can not access a mortgage on the commercial market but meet the council eligibility criteria for mortgages.</p> <p>A maximum loan of 90% loan to value will be available with the applicant providing at least 10% for a deposit.</p> <p>No more than 3 times the household income will be available and there will be a cap of £200,000.</p> <p>The maximum term offered for a mortgage will be 25 years</p>	<p>The provision of a mortgage must support the Council's strategic and regeneration initiatives</p> <p>The applicant must:</p> <ul style="list-style-type: none"> • Not be able to obtain the relevant mortgage finance from a mainstream lender. • Be able to cover the cost of a deposit of at least 10% plus legal fees, stamp duty and other costs of moving (the deposit can be paid by the builder) • Be able to sustain home ownership in the longer term • Have a good credit history (as defined within the council procedures) 	<p>All mortgages will be offered in accordance with the requirements of schedule 16 of the Housing Act 1985. Rates will be variable and will be reviewed at least annually. The interest chargeable will be the higher of the Standard National Rate (SNR) and the applicable local average rate.</p> <p>Independent Financial Advice will be offered by Independent Financial Advisors from the Council's list to ensure that prospective homeowners can identify the most appropriate source of lending.</p> <p>Collection and recovery of completed mortgages will be managed by the Director of Financial Resources</p>	<p>A fee for loan administration and for Council services will be chargeable.</p> <p>Where the cost of Independent Financial Advice results in a commercial mortgage, the lender will pay the fee. If a Council mortgage is offered a fee is charged and this can be included within the loan provided.</p>	<p>The provision of Council mortgages will provide a viable alternative for people who want to get on the housing ladder but are prevented from doing so by the unavailability of mortgage finance.</p> <p>Mortgages will help to support strategic initiatives and provide positive outcomes for local people and the local economy.</p>

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FAP 17	Bond Guarantee Scheme	<p>Where a Privately Rented Tenancy has been identified as a suitable housing option the Housing Options Team will provide a guarantee of up to the equivalent of one calendar months rent.</p> <p>The bond is in the form of a written guarantee to the landlord and will only be paid to the landlord in the event of breach of tenancy. This will be administered through the nationally accredited rent deposit scheme</p>	<p>The Council's Housing Options Team will look at all possible options to prevent or relieve homelessness. Where it is identified that a private rented tenancy is the most appropriate solution consideration will be given to the provision of a bond to enable the applicant to access a tenancy. The applicant:</p> <ul style="list-style-type: none"> • Would need to be assessed as being at risk of homelessness by HOT • An affordability assessment will be carried out to ensure that the customer can not afford to pay the costs of a rent bond themselves and to ensure they can afford ongoing rent payments 	The Housing Options Team will only guarantee a bond where the property meets the decent homes standard (as confirmed by the Council).	Although the Council will guarantee the bond initially it is envisaged that an applicant will take over this responsibility at the 6 month point.	To support vulnerable people to access privately rented accommodation.

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
SUSTAINING HOME OWNERSHIP AND TENANCIES						
FAP 18	Repossession prevention fund	<p>The aim of the fund is to target loan or grant assistance to families at risk of homelessness through repossession or eviction</p> <p>The maximum payment is £5,000</p>	<p>The fund will be available to households:</p> <ul style="list-style-type: none"> • Who can genuinely not pay their mortgage or rent • Who are willing to act on money or debt advice • Where the rent of mortgage payments will be affordable once the payment from the fund has been made • A financial assessment will be undertaken by a Housing Options Advisor to determine an applicant's ability to maintain loan payments now and in the foreseeable future. • If the financial assessment highlights that an applicant would be unable to maintain loan payments consideration will be given to whether a grant can be considered. This will be undertaken on a case by case basis. 	<p>Payments are not intended to completely clear arrears but to recover the situation where all other options have failed</p> <p>Payments should only be made where all parties are prepared to compromise on the debt in order to avoid repossession or eviction</p> <p>A payment will only be made where there is no other way to resolve the problem</p> <p>Payments will be made directly to the creditor</p>	<p>All loans are interest free.</p> <p>The schedule of payments will be agreed as part of the financial assessment.</p> <p>As per the Communities & Local Government Department guidelines no charges will be placed against property.</p>	<p>To prevent homelessness for the residents of Sunderland</p> <p>To increase the number of individuals and families able to maintain their tenure in their own home</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
FAP 19	Mortgage Rescue Scheme	<p>Available to homeowners who are struggling to meet their mortgage payments.</p> <p>A Housing Association working in partnership with the Council will purchase the property and become the owner of the property. Eligible applicants will stay in the property and pay 80% of the market rent</p>	<p>The scheme is intended to help homeowners who fall within one of three priority need categories (below) in the homelessness legislation and who are at risk of homelessness as a result of mortgage repossession</p> <p>Eligible people:</p> <p>(1) a person with whom dependent children reside</p> <p>(2) a pregnant woman</p> <p>(3) a person who is vulnerable as a result of old age, mental illness or handicap or physical disability or other special reason.</p> <p>The household income must be less than £60,000</p> <p>The applicant must not own another property</p>	<p>The following criteria will also apply;</p> <p>All owners of the property must agree to being considered for the mortgage rescue scheme</p> <p>The purchase price of the property should repay all secured debts against the property. In some cases consideration can be given to applicants who are in negative equity up to 20%.</p> <p>Living in the property must be sustainable after mortgage rescue</p> <p>The household must have a clear need to stay in the area and it is not practical for them to trade down to another property in the area</p> <p>The property must be suitable for the needs of the household (e.g. it is not overcrowded)</p> <p>Owners must have sought debt counselling and advice, agreed to debt rescheduling and discussed alternative options with mortgage lenders before admission to the scheme.</p>	<p>Applicants do not have to pay anything up front.</p> <p>The housing association buying the property will take 3% of the value of the property as a fee</p> <p>If the mortgage against the property is worth more than the home alternative arrangements to cover this debt will be made</p>	<p>To prevent homelessness for the residents of Sunderland</p> <p>To increase the number of individuals and families able to maintain their tenure in their own home</p>

Ref No	Type of assistance available	Product Information	Eligibility	Other Information	Cost	Outcome
SAFE HOMES						
FAP 19	Home Security / Target Hardening Assistance	Specific schemes will be developed to meet community safety outcomes across Sunderland	Sunderland City Council is committed to improving the security of homes and reducing crime and fear of crime across the City. Specific schemes will be developed and individual eligibility criteria set	Individual criteria will be developed on a scheme by scheme basis and may be dependent on funding stream requirements	To be determined	Reduce crime and the fear of crime. Support the Council's Community Safety Partnership

Enquiries

A copy of the full policy document can be viewed at the Civic Centre reception and at any Customer Services Centre across the city on request.

For enquiries about the Financial Assistance Policy and also for Home Improvements, Disabled Facilities Grants, Handypersons service or Energy Efficiency contact:

Sunderland Home Improvement Agency, ILC Leechmere, Claymere Road, Sunderland. SR2 9TS.

Tel: 0191 520 5555

E-mail: hia@sunderland.gov.uk

For enquiries about Disabled Facilities Grants and home needs assessments, please contact:

Care Management and Assessment Team,

Health, Housing and Adult Services West, Dock Street, Monkwearmouth, Sunderland. SR6 0EA

Tel: 0191 520 5555

For enquiries for Area Based Renewal Schemes (including relocation), contact:

Sunderland City Council Housing Renewal Team, P.O. Box 102, Civic Centre, Sunderland, SR2 7DN

Tel: 0191 520 5555

E-mail: housing.renewal@sunderland.gov.uk

Back on the Map – Sunderland’s New Deal for Communities

The Community Link Shop

Hendon, Sunderland.

Tel: 0191 514 3653 Website: <http://www.backonthemap.org>

Empty Properties contact:

Empty Property Officer, Housing Renewal Team, PO Box 104, Civic Centre, Sunderland. SR2 7DN

E-mail housing.renewal@sunderland.gov.uk

Enforcement, Landlord Licensing and Accreditation contact:

Housing Renewal Team, PO Box 104, Civic Centre, Sunderland. SR2 7DN

E-mail housing.renewal@sunderland.gov.uk

Council Mortgage contact:

Sunderland Customer Contact Centre

Tel: 0191 520 5555

E-mail: hia@sunderland.gov.uk

Bond Scheme, Repossession Prevention fund and Mortgage Rescue contact:

Housing Options Team

Tel: 0191 520 5555

E-mail:

For information about the Governments Warm Front Scheme:

EAGA, Eaga House, Archbold Terrace, Jesmond, Newcastle Upon Tyne NE2 1DB.

0800 316 2805 or email: enquiry@eaga.com

Confidentiality and Information Sharing

All personal information relating to customers will be treated with the utmost confidentiality both by Sunderland City Council and its partners or agents. This includes information covering the customers name and their families names and addresses, the nature of any disability they or any member of their family have, the type and cost of work carried out on their behalf, their financial or family circumstances, the fact that they are a customer of Sunderland City Council, information regarding any grant or other financial assistance they have received or applied for and any other information that might reasonably expect to be kept confidential. The council has to collect information of this nature to enable work to be carried out in customer's homes and we will ensure that this information is managed fairly, lawfully and in line with the guidance set out within the Data Protection Act 1998.

The Freedom of Information Act enables anyone to request information from a public authority. When a request is made we have a duty to respond to the request within 20 days as well as providing advice and assistance to people who have requested information.

Equalities

This Financial Assistance Policy recognises that the city has a large and diverse population whose needs differ greatly. The Council aim to treat all communities and service users fairly and equally in order to assist them in meeting their needs.

The Council will continue to assess, update and address the needs of vulnerable people and minority groups across the city through research and policy development.

This policy has been subject to an Impact Needs Requirements Assessment to ensure that it reflects the diversity of Sunderland's population appropriately. Nothing has been identified within the policy that is incompatible with Sunderland City Council's Equalities Scheme

The information contained within this policy can be made available in different language and formats if required.

Complaints and Compliments

We learn a lot from complaints and that feeds back into improving how we deliver our service. That's why we want to hear from you if you aren't happy. We take complaints whichever way you want to give them to us. You can call in or ring up; alternatively write, email or complete a complaint form. Complaint forms are available from council staff dealing with your application, by telephone on 0191 520 5555 or online at

<http://www.sunderland.gov.uk/public/editable/themes/citycouncil/corporate/officialcomplaint.asp>

Equally if our customers are satisfied with the service they receive we would also like to hear about it

Complaints against the service provided by the loan administrator will be dealt with via that organisations own appeals and complaints procedures.

Monitoring and Evaluation

This policy will be monitored annually or more frequently if required, to evaluate its relevance and effectiveness. Any significant changes will be submitted to cabinet for approval and thereafter published as a revision to the policy. This will include the affects of any major changes to legislation.

Specific performance indicators are already in place in relation to the achievement of statutory targets. Further indicators will be developed in relation to individual projects dependent on funding and partner requirements.

Fees, charges and financial limits will be reviewed periodically by the Director of Health, Housing and Adult Services in conjunction with the City Treasurer and any changes will be approved under delegated powers.

Glossary of Terms

Commercial loan	A loan that is offered to the borrower by the lender which in this case usually means a financial institution
Decent Homes Standard	A decent home is one which is wind and weather tight, warm and has modern facilities. A decent home meets the following four criteria:- It meets the current statutory minimum standard for housing; It is in a reasonable state of repair; It has reasonably modern facilities and services; It provides a reasonable degree of thermal comfort
Discretionary Panel	The purpose of the Discretionary Panels is to consider issues and cases that fall outside policies and procedures
Disturbance Payment	Disturbance payments are made to residents who are subject to clearance in designated clearance area. They are made for reasonable expenses incurred such as removal of furniture and disconnection of services.
Financial Services Authority (FSA)	The FSA is an independent body that regulates the financial services industry in the UK. Both the Loan Administrator the professionals offering Independent Financial Advice will be required to be members of the FSA
Home Loss Payment	A Home Loss payment will be payable if the resident has been living in the house for one year or more. The payment is made to people displaced from their home (set by law at 10% of the price settled with the Council for the property being cleared, or £4,400 whichever is the greater).
Independent Financial Advice	Independent Financial Advice is offered by professionals (usually Independent Financial Advisors) who offer unbiased advice on financial matters to their clients and recommend suitable financial products from the whole of the market
Loan Administration	Arrangements will be put in place to ensure that where loans are provided these are administered effectively and in compliance with the relevant provisions of the Financial Services Act.
Local Authority Loan	In the case of this Financial Assistance Policy Local Authority Loans can come in the form of Equity Loans, Capital and Interest Loans and Small Unsecured Loans. The loans are funded from Local Authority Budgets and are subject to eligibility criteria and conditions
Market Value	Market Value is the price at which a property should exchange on the date of valuation between a willing buyer and a willing seller

