

HOME INVESTMENT LOANS

Croydon Staying Put offer interest free home investment loans which are available for putting a dwelling into reasonable repair / or to meet the decent homes standard.

Examples of the type of work this would cover would be:

- Serious disrepair e.g. replacement of a leaking roof
 - Electrical hazards e.g. rewiring
 - Excess cold e.g. replacement of inefficient windows
 - Mould and damp e.g. severe rising or penetrating dampness
 - Falls associated with stairs and steps e.g. excessive pitch to a staircase, lack of guarding to one side or absence of any handrail
 - Falls on the level e.g. excessive slope to a floor or excessive surface or variations on a path
 - Falls between levels e.g. unguarded balcony or landing
 - Structural collapse and falling elements e.g. falling elements from a dwelling such as slates or bricks and collapse of walls, insufficient foundations or disrepair causing inadequate strength to load bearing walls and internal floor, ceiling or staircase collapse.
 - Fire e.g. inadequate fire resistance to internal partitions/doors and to provide safe means of escape in case of fire
 - Other repairs e.g. replacement of minor roof areas (excluding porch roofs or conservatories/temporary lean-to type structures), guttering, down-pipes, timbers, walls and foundations, floors, staircases, plaster, repairs to defective electrical installations, and most other repairs to the structure, provide an adequate kitchen where the existing one is more than 20 years old or provide an adequate bathroom where the existing one is more than 30 years old or the existing one is inappropriately located (i.e. where the main WC is external or located on a different floor to the nearest wash hand basin).
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The maximum loan amount is £20,000 for new applications (including fees, charges & VAT). Please note the loan is registered as a charge on the property and it is repayable on either the sale, or a transfer of ownership of the property. Applications for home investment loans are done on a face to face basis with a caseworker. There are a number of eligibility criteria which need to be met in order to apply for a loan.

Eligibility

- Applicant must be over 18 and owner-occupier.
- Must have owned and resided in property for at least 3 years, exceptions -
 - Where loan is for a DFG.
 - Where applicant has a disability.
 - Where property was vacant for 6 months prior to purchase.
 - Where applicant is first-time buyer (council will be sympathetic towards applicants, who as a result of a divorce are buying a property on their own for the first time).
 - Where applicant inherited the property and the deceased person lived there for at least one year prior to their death.
 - Where the property has been left to the applicant as part of a divorce settlement.

Non-eligibility

- Cannot apply if property has a council tax valuation band of G or H.
- Where the property was built or converted less than 10 years prior to the date of the application.

- Where the property is a second home or holiday let.
 - Where the only works proposed are non-essential, such as decoration or an extension to provide additional bedroom or living space.
 - Where applicant has savings of more than £15,000 in total.
 - Where applicant is in arrears on council tax payments and owes council money.
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Home investment loans are means tested to ensure that those in the most need get the most help. Means testing considers the income and capital of the applicant and his or her spouse or partner and takes into account:

- A person's average weekly or monthly income, including pensions and certain benefit payments
- Any savings above a set amount.

When you apply for a loan you will be asked to complete a financial assessment form. The level of loan you may receive will be based on the information you provide.

If you receive one of the following benefits you will be automatically passed through the means test and will be eligible for loan assistance providing the work required falls under the scope of the loan:-

- Housing benefit
- Universal credit
- Income related E.S.A. or Income related J.S.A.
- Income Support
- Guarantee pension credit
- Working tax credit and earning less than £15,050 p/a
- Child tax credit and earning less than £15,050 p/a

Means testing takes into account your income. This includes any earnings from employment or self-employment, pensions and annuities. If you have a partner, any assessment will be based on your joint income. Capital is also included in the means test. This will include any savings or investments you (and your partner) may have such as savings accounts, premium bonds, stocks and shares, etc. The first £6,000 of savings is disregarded from the means test.

Please note - actual outgoings are not taken into consideration.

There are three possible outcomes depending on your financial assessment

1. You will be awarded 100% loan
 2. You may have a contribution towards the loan
 3. You will not be eligible for any loan assistance if your contribution is calculated as being more than the cost of the proposed work.
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If you are successful with your application for a home investment loan, the Staying Put team will make arrangements for the work to be carried out. Your caseworker will oversee this.

To find out more contact the Staying Put team on 020 8760 5505 or HSG-STAYINGPUT@croydon.gov.uk