

# Home Improvement Loan Factsheet



**Sir Conwy, yr amgylchedd iawn i helpu pobl i helpu eu hunain**

**Conwy County, the right environment to help people help themselves**

## Home Improvement Loan

A Home Improvement Loan is an interest free loan offered by the Council, for home owners, private landlords, charities or developers who wish to make improvements to their property to make it warm, safe and secure. Examples of eligible work include the following:

- Electrical work
- Roof repairs or a new roof
- Kitchen and bathroom
- Garden work if your garden is unsafe
- Work to resolve damp issues in the property
- Energy efficiency improvements, such as a new boiler and insulation.

This list is not exhaustive.

### Key Facts:

- Applicants must own the property.
- This type of assistance is discretionary.
- Applicants must pass an affordability assessment to be eligible for the loan.
- The minimum loan amount is £1,000. The maximum loan amount is £35,000 per property.
- The loan is interest free.
- There is an administration fee of £500.
- A first or second charge is secured against the land registry title.
- The loan offered plus the mortgage on the property cannot be over 80% of the property value. This means that if your property is worth £100,000, and the mortgage is £75,000, we could only borrow a maximum of £5,000. We might ask for a RICS valuation to evidence the value of the property.
- If the loan does not cover the full cost of the work, we will ask you to give us evidence of how you will cover the rest of the cost.
- Work cannot start until the affordability assessment is completed and the charge has been secured on the property.

Please note that we are currently not accepting new applications. If you want us to contact you when we can start accepting applications please contact us:

- By phone: 01492 576274 / 01492 574235
- By email: [housingstrategy@conwy.gov.uk](mailto:housingstrategy@conwy.gov.uk)
- Write to us: Housing Strategy, PO Box 1, Conwy, LL30 9GN

### Application process

#### Step one: Complete an Expression of Interest form.

To apply for a Home Improvement Loan, you will need to complete an expression of interest form. When completing the form you will be asked for details of the property, including what work is needed.

Completed forms are sent to the Housing Strategy Team including photos of your property evidencing the work requested.

The Housing Strategy Team will review the information you have submitted and will write to you to confirm whether or not your application can proceed to the next step.

### **Step two: Applicant to complete Loan Application form.**

Your application will proceed to step two if the work you have listed in the expression of interest form is eligible under the 'warm, safe and secure' criteria and you have supplied picture evidence.

When completing the loan application form you will be asked to supply further detailed information, including financial information to allow us to complete a financial assessment. Supporting documents will be required at this stage, such as; proof of ID, proof of income. You will be advised on what documentation is required by the Officer processing your application.

Completed forms are sent to the Housing Strategy Team including two quotations for the improvement work that you are having done under the scheme.

### **Step 3: Financial Assessment**

The financial assessment is an assessment of your income and expenditure to make sure that the loan you are applying for is affordable to you. This will also include a credit check.

### **Step 4: Loan Offer**

You will be offered the loan if you pass the affordability assessment. Your loan offer will include your monthly repayment figure.

Once you have signed and submitted the forms a charge will be secured against your property. Once this is completed you will receive a letter confirming that the loan is in place.

When the loan is in place you can start the work.

### **Step 5: Payments**

Payments can be made in stages and/or at the end of the work.

To make a payment, you will be asked to send an invoice with a 'request for payment form'.

When the final payment has been made an officer from Conwy County Borough Council will visit the property and take photos of the completed work.

## **What happens if I change my mind and cancel my loan application?**

You may cancel your loan application at any time.

Note, if you cancel your application once the loan has been agreed and a charge is on the property, you will still be charged the loan administration and the land registry fee.

If the loan has had any funds drawn down then a redemption fee will apply.

## **Housing Strategy Team contact details**

Contact us:

- By phone - 01492 576274/ 574235
- By email - [housingstrategy@conwy.gov.uk](mailto:housingstrategy@conwy.gov.uk)
- Write to us – Housing Strategy, PO Box 1, LL30 9GN