



HomeKey+

# Decent Homes Loans for homeowners

We know  
needing support  
can be overwhelming.

Please get in touch and we  
will guide you through the  
process and help you to make  
the changes you need to  
improve how you live in  
your home.

This leaflet is a guide to the financial help available for homeowners in Cheshire West who need to improve their home to meet the Government's Decent Homes Standard.

**If you are a homeowner and are living in a property that needs essential repairs or improvements you may qualify for financial help from Cheshire West and Chester Council to get the work done.**

This leaflet explains the type of financial help available and how we'll support you to identify and arrange repairs, maintenance or improvements to your property and apply for funding to help pay for essential work.

## Decent Homes Loans

This loan is used to bring a property up to the Government's Decent Homes Standard. It can be used to pay for improvements like; heating systems or insulation measures, updates to kitchens and bathrooms or to remove any serious hazards such as serious dampness, dangerous stairs or electrical wiring which could affect health and safety.

The Decent Homes Loan is an equity loan. The loan remains as an interest free charge on the property, there are no regular repayments required from the person making the application. Instead, the Council recovers its money when the property is sold or transferred to a new owner. There is an option to repay the loan in full at any time should your financial circumstances change.



## Equity

This is the difference between any outstanding mortgage or loans secured against your property and the market value of the property. This means that the Council will own a proportional share in the value of your property in exchange for the money lent to you.

## Example:

If the unimproved value of your property is £100,000 and the cost of the necessary work is £10,000, the Council will take a 10% share of the property when it is sold i.e. if the sale price is £150,000 then the Council will be owed £15,000.

## Who can apply for a Decent Homes Loan?

The owner, or part-owner, of the property the application relates to can apply, in addition;

- **your property must be non-decent** (not meeting the Government's Decent Homes Standard) **or have significant hazards that affect health and safety**
- **you must have enough equity in your property to cover the loan**

Applicants are advised to seek independent financial advice before taking out a Decent Homes Loan.

## Can I get help to complete my application?

Yes, we'll provide confidential advice and expert guidance to help you access available funding to make sure your property is safe, and you are living in warm and reasonably modern conditions. We can also advise on reliable contractors and oversee all aspects of home repair, maintenance and improvement work.

## How much loan can I apply for?

The maximum amount of loan that you can apply for is £40,000. This includes VAT and all eligible fees. The minimum loan is £1,000.

There are a number of conditions that apply to a Decent Homes Loan:

- You must occupy the property as your main home until the loan is repaid
- The loan must be repaid on sale or transfer to a new owner (unless this person is a family member who occupied the property at the time the loan was approved)
- On completion of the work the property must meet the Government's Decent Homes Standard and have no significant hazards present
- You cannot apply for any further funding from the Council for improvement work within five years (except for Disabled Facilities Grants)
- The Council will own a share of the property value proportional to the cost of the works as a percentage of the property's unimproved value
- The loan will be registered as a charge on your property at the Land Registry
- The property must have building insurance until the loan is repaid

## Where do I start to apply for a Decent Homes Loan?

We know the process can feel overwhelming and can be complicated, our expert caseworkers will guide you through making an application for financial help from Cheshire West and Chester Council.

Before you make an application, one of our Technical Officers will visit to check what works your home needs (preparing a schedule of work) and how much it will cost. We will then support you by arranging and overseeing the works through to completion.

Following the property assessment, we'll support you to complete a form about your household financial situation. Trained caseworkers will use this to see if a Decent Homes Loan is suitable using a Test of Resources. This calculates average weekly income, taking account of any savings above a Government set threshold of £6,000. Your total income is then set against an assessment of your basic outgoings, which are recognised by a range of allowances. The calculated figure is then used to determine whether you need to make a contribution to the loan.

You will not normally have to make a contribution to the loan if you are on a low income, in receipt of:

- Income Support
- Income-based Job Seekers Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Housing Benefit
- Guaranteed element of Pension Credit;

Although this may be affected if your spouse/partner has an income and is also being assessed.

### HomeKey+



If your home needs other repairs or maintenance you could make use of our handyperson service. Self-funded work is also an option for homeowners where grants or loans are not applicable.



HomeKey+ is an accredited Home Improvement Agency (HIA) service

 **Home Improvement Agencies**  
Making Homes Warm, Safe & Secure



Visit our website [HomeKeyPlus.co.uk](https://www.homekeyplus.co.uk) where you'll find more information about the funding available and the reliable support we offer or if you would like to ask any questions please contact us: call **0300 124 52 89** or by email [contactus@homekeyplus.co.uk](mailto:contactus@homekeyplus.co.uk)