

Eden District Council Prevention Repossession Fund Policy and Procedure

June 2022

Accessibility Information

A summary of the information contained in this document is available in different languages or formats upon request. Contact Eden District Council's Communication Officer, telephone: 01768 817817 or email: communication@eden.gov.uk

Polish

Streszczenie informacji zawartych w niniejszym dokumencie można uzyskać na życzenie w innym języku lub formacie. Prosimy o kontakt telefoniczny z Referentem Rady ds. Komunikacji Okręgu Eden pod numerem telefonu 01768 817817 lub pocztą e-mail na adres communication@eden.gov.uk

Traditional Chinese

若閣下要求，本文件的摘要資訊可以其他版式和語言版本向您提供。請聯絡伊甸區地方政府傳訊主任 (Eden District Council's Communication Officer)，其電話為：01768 817817，或發電郵至：communication@eden.gov.uk

Urdu

اس دستاویز میں شامل معلومات کا خلاصہ درخواست کیے جانے پر مختلف زبانوں اور فارمیٹوں (شکلوں) میں دستیاب ہے۔ ایڈن ڈسٹرکٹ کاؤنسل کے افسر برائے مواصلات سے فون نمبر 01768817817 پر رابطہ کریں یا communication@eden.gov.uk پر ای میل کریں۔

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1.0 Introduction

1.1 Eden District Council's Strategic Priorities 2021 – 2022 highlight the following:

Housing Strategy – we will develop an action plan to deliver our new housing strategy setting out our vision for affordable decent homes for our local people, and to help us retain our young people and families.

1.2 Eden District Council's Housing Strategy 2021 -2026 identifies three key priorities:

- Development of good quality new housing.
- Improving the condition of our existing housing stock.
- Improving access to housing for all.

The Strategy recognises the Council's statutory duties relating to Homelessness.

1.3 The Homelessness Reduction Act 2017 introduced a requirement for local authorities to provide improved advice and information about homelessness and the prevention of homelessness, alongside the extension of the 'threatened with homelessness' period. It also introduced new duties to prevent and relieve homelessness for all eligible people, together with a requirement for formal assessments and personalised housing plans to be drawn up.

1.4 Eden District published its Homelessness Strategy in July 2019 in compliance with the obligations found in the Homelessness Act 2002.

The Homelessness Strategy seeks to tackle all forms of homelessness, including those owed a statutory duty (typically families with dependent children, or vulnerable adults), and also people who are single, sleeping on the streets, or in other transient arrangements (e.g. sleeping on a friends' sofa).

1.5 The Homelessness Strategy details the following objectives:

- Reduce the current and future levels of homelessness.
- Prevent homelessness.
- Ensure there is enough accommodation for people who are homeless or threatened with homelessness.
- Ensure there are adequate services support to people who are homeless or threatened with homelessness, or were previously homeless to prevent a reoccurrence of homelessness.
- Suitably resource the delivery of the homelessness strategy.

1.6 Following the global Covid-19 pandemic and as a result of the war between Ukraine and Russia the Country is facing an economic downturn and an increase in the cost of living. An increase in homeless presentations is anticipated.

1.7 Eden District Council aims to assist those facing homelessness due to property repossession by mortgage lenders through the Prevention Repossession Fund.

2.0 What the funding will be spent on

2.1 Prevention Repossession Fund assistance is available to owner occupiers who have been assessed by Eden District Council's Housing Options Team as being 'At Risk of Homelessness' due to mortgage arrears.

2.3 The maximum assistance which may be applied for by any one household in relation to arrears outstanding on any dwelling is £5,000.

3.0 Who will be eligible to apply for funding?

3.1 To qualify the following criteria must be met:

- The applicant must have a local connection to Eden as defined in Section 199(1) Housing Act 1996
- The mortgage arrears must have arisen through genuine hardship – eg reduction in income.
- The applicant must complete an income and expenditure assessment and agree a debt management plan.
- The debt management plan must indicate there is a reasonable expectation that payment of the arrears will enable the applicants to remain within the property beyond a twelve month period.
- The mortgage provider/secured loan lender must provide written confirmation of the total amount of outstanding debt.
- The mortgage provider/secured loan provider must provide written confirmation that the receipt of the proposed payment will stop repossession proceedings.
- The total prevention repossession funding owed to Eden District Council must not exceed £5,000 at any time.

3.2 Where more than one person is named on the deeds to the property all persons must sign the application form and agree to the funding terms and conditions.

4.0 How funding will be allocated?

4.1 Applicants will be required to complete and submit the application form at Appendix A.

4.2 The Housing Option Team at Eden Housing Association will undertake an initial assessment of the application using the criteria in Appendix B.

4.3 Application forms will then be submitted to the Housing Team at Eden District Council.

4.4 Final approval will be made by the Housing & Health Portfolio Holder.

5.0 Monitoring and Review

5.1 This Policy will be reviewed every three years to ensure that the fund is being put to best use to prevent homelessness through mortgage repossession.

6.0 Other considerations

6.1 The amount of funding available is finite and will be dependent on uptake.

Appendix A – Application for District Council Prevention Repossession Fund

1. Applicant name and address
2. Applicant contact details (email and telephone number)
3. Mortgage lender name and address
4. Mortgage lender contact details (named contact, email and telephone number)
5. Details of all loans secured against the property

6. Details of all balances outstanding including arrears
7. Details of other debts outstanding (gas, electricity, water, Council Tax, other loans)
8. Estimate of current market value of property
9. Summary of circumstances (reasons for arrears)
10. Copy of detailed debt management plan

11. Evidence that the mortgage lender has confirmed that repayment of the arrears will stop repossession proceedings
12. Funding requested
Signed
Date

Please Note: Where more than one person is named on the deeds to the property all persons must sign the application form and agree to the funding terms and conditions.

Return to: housingoptions@edenha.org.uk

Appendix B – Assessment Criteria (checklist)

- Details of loan outstanding received Y/N
- Details of arrears outstanding received Y/N
- Details of any other debts received Y/N
- Detailed debt management plan in place Y/N
- Estimate of the current market value of the property received Y/N
- Confirmation from the lender(s) that the repayment of the arrears will stop repossession proceedings. Y/N
- Is there a reasonable expectation that the applicant can repay any other debts/secure repayment plans? Y/N
- Has the applicant sufficient resources for the future maintenance of the mortgage payments Y/N
- Does this grant improve the applicants chance of remaining in the property for a period of over 6 months Y/N