

**GUIDANCE FOR LOCAL AUTHORITIES**

**ON**

**IMPROVEMENT AND REPAIRS GRANTS**

**Housing (Scotland) Act 1987**

Incorporating amendments made by the Housing (Scotland) Act 2001  
and implemented from 1 October 2003.

**VERSION: NOVEMBER 2004**

**This document takes into account minor amendments made to the test of resources by the Housing Grants (Assessment of Contributions) (Scotland) Amendment Regulations 2004.**

**The guidance may develop further, to take account of issues identified as local authorities gain experience of operating the new system. Any amendments will be highlighted on this page and communicated to local authorities.**

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## INTRODUCTION

The legislation governing the administration of housing Improvement and Repairs Grants is contained in Part XIII of the Housing (Scotland) Act 1987 (“the Act” or “the 1987 Act”). Significant amendments to this Part were introduced by Part 6 of the Housing (Scotland) Act 2001 (“the 2001 Act”). These amendments were commenced on 1 October 2003, together with secondary legislation to fully implement the revised system.

The most significant change to the operation of the Grants system is the introduction of a test of resources, to assess how much the applicant should contribute towards the approved expense. A system of minimum percentages to be applied to grants for prescribed types of works operates alongside the assessment. There are also new types of eligible works, and some minor changes to other parts of the system, such as the treatment of successive grants.

Since there are changes to many parts of the system of improvement and repairs grants, this document seeks to provide guidance on the system as a whole. Its main purpose is to explain the statutory provisions and set out what local authorities are required and permitted to do in processing applications for grants. Each local authority is likely to have different priorities for the use of the funding allocated for improving private sector housing, in line with policies based on their Local Housing Strategy, and within the national priorities set by Ministers. This means there will be local variation in the types of work for which grant is made available and the amount which is grant aided. This guidance sets out the full scope of the legislative framework within which local authorities may take those decisions.

Local authorities will need to ensure that the grant system is administered in a way which allows them to meet their duties under the Race Relations (Amendment) Act 2000. This will include ensuring that their priorities and policies for awarding grant have no adverse effect on race equality. Further guidance on this issue is included in Part IV of the guidance, on “Procedures”.

Where appropriate, the guidance reproduces the wording of the legislation without further definition. While the Scottish Executive may offer a view, it is for the local authority to interpret the statute and ensure that its actions comply. In the case of a dispute, such matters are ultimately for the courts to decide.

A variety of guidance has been issued since improvement grants were introduced in the Housing (Scotland) Act 1974, much of which is still helpful in expanding on standards and eligible works, although the legislation has moved on. The Housing Improvement Task Force, which reported in March 2003, has made extensive recommendations in relation to improving the condition of private housing in Scotland. These include proposals for reviewing the Tolerable Standard and producing detailed

guidance on its operation and interpretation. For this reason, we have decided not to attempt to update the detail in previous circulars on standards and eligible works at this time. Relevant parts of those circulars, which many local authorities may have embedded in their own policies and procedures, have been placed on the Scottish Executive website at [www.scotland.gov.uk](http://www.scotland.gov.uk) for reference. Click on “Topics” – “Communities” – “Housing” – “Private Housing Sector” and select “Assistance to Repair and Improve Houses”. Where there is any conflict, the present guidance should be regarded as superseding those circulars.

If you have any queries about the Improvement and Repairs Grant system, please email [Jean.Waddie@scotland.gov.uk](mailto:Jean.Waddie@scotland.gov.uk), or telephone 0131 244 7951. Please note that there is no printed version of this guidance available at present.

## **STRUCTURE OF THE GUIDANCE**

The Housing (Scotland) Act 1987, as amended, sets out various conditions to be met and procedures to be used in dealing with Improvement and Repairs Grants. This is supplemented by a range of secondary legislation prescribing various procedures and official forms.

**Part I** of this guidance sets out the aims of the grants system.

**Part II** deals with the physical standards which houses are required to meet, works eligible for grant, and other conditions which must be met before an application for grant is approved.

**Part III** explains how the amount of grant is calculated, with details of the assessment of applicants contributions for owner-occupiers and similar applicants, and for landlords and businesses.

**Part IV** describes the statutory procedures and prescribed forms for processing applications for grant, and highlights other matters which should be addressed by local authorities in developing their internal procedures for administering the grants system.

**The Annexes** contain details of the legislation relating to the grants system, and worked examples of the assessment of applicants' contributions.

A consolidated version of relevant sections of the Housing (Scotland) Act 1987, incorporating all amendments up to 1 October 2003 is provided as Annex A1. This has been produced by housing officials for illustrative purposes only, and should not be treated as definitive or authoritative.

References in the margin of the guidance, without any other identification, are to sections of the 1987 Act, as amended. References preceded by "A" are to the Housing Grants (Assessment of Contributions) (Scotland) Regulations 2003. These were amended in 2004. The principal regulations and the amendment regulations are reproduced in Annex B1.

**Part I**  
**Aims of the Improvement and Repair Grants System**

## **1. AIMS OF THE IMPROVEMENT AND REPAIR GRANTS SYSTEM**

1.1 The purpose of the improvement and repair grant system is to achieve a significant improvement in the condition of the private housing stock in Scotland, by providing financial assistance where it is needed. All applications for grant, and local policies in relation to the grants system, should be considered with this in mind. Enhancements to the amount of grant available target specific works identified as tackling priorities in respect of public safety and health, as well as facilitating participation in schemes to repair or improve a group of houses.

1.2 The system is not intended to be used to meet the convenience of a particular occupier of an already satisfactory house (for example to enlarge the property) nor to support the commercial activity of a landlord. There may, however, be cases when these types of applications might be approved, where they contribute to meeting the housing needs of the local community.

1.3 Grants should not be given for work which is tantamount to building a new house, for example where what is essentially a new house is built on little more than the foundations or part of the walls of a derelict building. There must be an existing house to be improved, or an existing building to be converted, where this is deemed appropriate. Public funds for new building are principally directed at the provision of affordable housing, mainly for rent, through development funding linked to a strategic approach. In exceptional circumstances, grant may be given to individuals to build private housing, through schemes such as Communities Scotland's Rural Home Ownership Grant.

1.4 The introduction of an assessment of the applicant's contribution to the cost of works emphasises that improvement and repair grants are intended to provide assistance to those who are unable to meet the costs of ensuring their property is in good condition and suitable for their needs. The primary responsibility for maintenance of private housing lies with the owner. Grant is available to help if they cannot afford to do this, with those on the lowest incomes receiving the highest levels of grant. It is important to safeguard public funds for the benefit of those genuinely in need, and local authorities should therefore scrutinise applications carefully to ensure that the works are necessary, the costs are reasonable, and the resources available to all those with responsibility for the property have been taken into account.

1.5 Landlords and developers are expected to consider the costs of maintenance and improvements when setting rents or drawing up a business plan. However, in some cases works which are not commercially viable are desirable to increase or improve the housing stock available to the local community, and grants can be used to promote such action. In developing policies on making grants to landlords, local authorities should also consider the potential impact on tenants, in terms both of housing condition and rent levels.

1.6 Funding for Improvement and Repairs Grants, and other investment in private housing, is provided to local authorities by the Scottish Executive through Private Sector Housing Grant (PSHG). PSHG is allocated in a process which takes account of both national and local priorities, with target outcomes agreed between the authority and the Scottish Executive. Further information on PSHG is available from Mary Munro, telephone 0131 479 5297, email [munrom@communitiesscotland.gov.uk](mailto:munrom@communitiesscotland.gov.uk) .

**Part II**  
**Eligibility and Approval of Grant**

## 2. TOLERABLE STANDARD

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2.1 The Act sets out the “tolerable standard” which all houses are required to meet. A local authority has a duty to ensure that all houses in their area which do not meet the tolerable standard are closed, demolished or brought up to the tolerable standard. Enabling houses to be brought up to the tolerable standard is a primary function of Improvement and Repairs Grants.

2.2 It is for the local authority to determine whether a house fails to meet the tolerable standard, or whether it is in a state of disrepair requiring statutory action.

### The Tolerable Standard

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2.3 A house meets the Tolerable Standard if it:

- a) Is structurally stable;
- b) Is substantially free from rising or penetrating damp;
- c) Has satisfactory provision for natural and artificial lighting, for ventilation and for heating;
- d) Has an adequate piped supply of wholesome water available within the house;
- e) Has a sink provided with a satisfactory supply of both hot and cold water within the house;
- f) Has a water closet or waterless closet available for the exclusive use of the occupants of the house and suitably located within the house;
- fa) Has a fixed bath or shower and a wash-hand basin, each provided with a satisfactory supply of both hot and cold water and suitably located within the house;
- g) Has an effective system for the drainage and disposal of foul and surface water;
- h) Has satisfactory facilities for the cooking of food within the house;
- i) Has satisfactory access to all external doors and outbuildings.

2.4 The words “or waterless closet” in (f) are inserted by the Housing (Scotland) Act 1987 (Tolerable Standard) (Variation of Criterion) Order 2003. This change is required because a waterless closet is now considered an acceptable alternative, in some circumstances, under the Technical Standards for compliance with the Building Standards (Scotland) Regulations 1990.

## **Standard Amenities**

244(1A) 2.5 The “standard amenities” are:

- a sink
- a fixed bath or shower
- a wash-hand basin

all with a satisfactory supply of hot and cold water, and

- a water closet or waterless closet.

2.6 In some contexts, standard amenities are treated differently from other aspects of the tolerable standard. However, with the insertion of (fa) into the tolerable standard by the 2001 Act, the reverse no longer applies. It is not now possible for a house to meet the tolerable standard without having all standard amenities.

### 3. ELIGIBLE WORKS

3.1 The following paragraphs set out the full range of works which are eligible for grant. It is for the local authority to determine, through suitably qualified and experienced staff, whether proposed works are eligible, necessary, and appropriate, having regard to the aims of the grants system. Authorities are not required to make grant available for all eligible types of work, but may impose restrictions, taking account of national and local priorities and the resources available to them. In some circumstances grant is mandatory; details are set out in paragraph 6.14.

- 236(1) • Works required for the provision of houses by the conversion of houses or other buildings. This includes converting two or more houses into one, or sub-dividing one house into two or more houses.
- 236(2) • Works required for the improvement of houses, including:
  - a) works to bring the house up to the Tolerable Standard, including provision of standard amenities
  - b) alteration and enlargement
  - c) replacement of unsafe electrical wiring
  - d) installation of mains-powered smoke detectors
  - e) provision of adequate heating systems
  - f) provision of adequate thermal insulation
  - g) works required to make the house suitable for the accommodation, welfare or employment of a disabled occupant
  - 236(2A) h) in a building in common ownership, installation of
    - a fire door at the entrance to each house
    - a main-door entryphone system
- 236(2)(b) • any works required to put the house into a good state of repair, including:
  - 248 i) the replacement in a different material of any pipes, cisterns, taps or other equipment used for the supply of water to a house which are wholly or partly made of lead
  - j) works intended to reduce exposure to radon gas
- 249 • Works to provide a means of escape from fire in a house in multiple occupation, where a notice requiring such works has been served under s.162 of the Act (see para 6.10).

## **Encouragement of works to improve energy efficiency or safety**

250A

3.2 Where an application for improvement or repairs grant has been made, and the house would also benefit from the following works:

- (c) replacement of unsafe electrical wiring
- (d) installation of main-powered smoke detectors
- (f) provision of adequate thermal insulation
- (h) in a building in common ownership, installation of
  - a fire door at the entrance to each house
  - a main-door entryphone system

the local authority may invite the applicant to make a further application for grant to include these works.

3.3 This provision does not give local authorities a new power, nor is there a duty for the authority to investigate, for example, whether the house is adequately insulated. However, it reinforces the significance attached to these new eligible works and the expectation that they should be included, where practicable, while other work is being carried out.

3.4 In practice it is likely to be simpler to invite the applicant to make a new application including all the additional works, rather than a separate, further application. If a further application is made, the restrictions on the amount of approved expense for subsequent applications, set out in paragraph 9.5(b), will apply.

### **Interpretation of Eligible Works**

3.5 The following paragraphs provide some guidance on works which may be considered appropriate for grant assistance, particularly in relation to the works listed in 3.1(c)-(f) and (h) which are inserted by the 2001 Act.

3.6 In order to meet the tolerable standard, it is not necessary for a house to comply with all current building regulations. However, where the property is subject to alteration or a change of use, the new work involved must meet the Technical Standards for compliance with the Building Standards (Scotland) Regulations 1990, as amended. The following paragraphs refer to the principal Parts of these Technical Standards as they relate to each new eligible work. It should be borne in mind, however, that some building work can have an impact on other standards. For example, a fire retardant door which complies with Part D will also need to meet the escape route width requirements of Part E. Where there is any doubt, advice should be sought from the authority's Building Control section.

### **Enlargement**

3.7 It is normally expected that a family will move to a larger house when it outgrows its present home. The enlargement of a house which is already adequate, by building an extension or converting space currently not used,

such as an attic or garage, cannot be regarded as contributing to the improvement of the general housing stock. Grant for such purposes can only be justified in exceptional circumstances, for example in a remote rural community where there is no prospect of suitable alternative accommodation for the household becoming available.

3.8 Grant for the extension of a house may be appropriate where this is necessary to meet the tolerable standard, for example by the addition or enlargement of a bathroom or kitchen, or to meet the needs of a disabled occupant.

#### Replacement of unsafe electrical wiring

3.9 In assessing whether or not mains electrical wiring is unsafe, a local authority may take any of the following defects into consideration:

- Inadequate earthing and/or bonding arrangements to the circuit
- Cables with perished or degraded insulation
- Cables which have been damaged and/or poorly jointed/terminated
- Circuits which are overloaded and/or overheating, including where this is due to insufficient provision of electrical sockets
- Switchgear and/or other electrical accessories which are damaged to an extent that live parts of the equipment are exposed
- Electrical accessories mounted on wood blocks, skirting boards, for example
- Cables and accessories that have been damaged by water ingress
- Inadequate circuit protection, provided by double pole fuses, for example

3.10 This list is intended as a guide to common electrical defects and should not be considered comprehensive. Each case should be considered on its own merits. Where grant is paid to replace wiring which is considered unsafe, all the defects identified must be rectified on completion of the works. New electrical work should comply with Part N of the Technical Standards.

3.11 Where significant rewiring is taking place, the applicant should be strongly encouraged to take the opportunity to install mains-powered smoke detectors.

#### Installation of mains-powered smoke detectors

3.12 These should meet the requirements set out in Part E of the Technical Standards. The extension of an existing system to additional parts of the house, or upgrading to meet the Technical Standards, are also eligible for grant.

### Provision of adequate heating systems

3.13 In line with the Scottish Fuel Poverty Statement, a heating system should be considered inadequate if it fails to provide a satisfactory heating regime as defined by the World Health Organisation. This is:

- For elderly and infirm households, 23°C in the living room and 18°C in other rooms, to be achieved for 16 hours in every 24.
- For other households, 21°C in the living room and 18°C in other rooms for a period of 9 hours in every 24 (or 16 in 24 over the weekend); with two hours being in the morning and seven hours in the evening.

3.14 This standard is higher than the existing requirements of Part Q of the Technical Standards. For that reason, this standard is only required of houses where grant has been approved specifically to provide an adequate heating system. It is not required of all houses which have been improved with grant. In addition, the local authority may use its discretion to allow adequate heating to be provided in only a limited number of rooms, if it is satisfied that other rooms are not normally in use, or are only used for storage. The aim is to maximise the benefit to the occupier without increasing the overall costs to an unaffordable level, if the applicant does not qualify for 100% grant.

3.15 The installation of gas, oil and solid fuel combustion appliances, together with any associated oil or LPG storage tanks must comply with Part F of the Technical Standards.

3.16 Space heating and hot water systems should comply with Part J of the Technical Standards for installation, controls, insulation of pipes, ducts and vessels, and commissioning.

### Provision of adequate thermal insulation.

3.17 This should comply with part J of the Technical Standards. Where the existing construction places constraints on the thickness of insulation material installed it may be necessary to apply for relaxation of the Standards. Grant may be awarded for any element of insulation, for example to insulate the roof but not the walls. However, in such cases applicants should be made aware of the provisions on subsequent grants (paragraph 9.5(b)), which would restrict the amount of grant available to do further works at a later date.

3.18 Heating and insulation measures should, where possible, be considered together to achieve a satisfactory heating regime.

### Other heating and insulation initiatives

3.19 The Scottish Executive, local government and power companies operate a number of initiatives targeted specifically at improving heating and insulation for vulnerable households and reducing fuel poverty. Details of what is available in each area are available from local Energy Efficiency Advice Centres. Officers dealing with improvement and repairs grants should be aware of these programmes, particularly the Central Heating Programme and Warm Deal, and should consider, where an application is made for heating or insulation works, whether the applicant should be advised to investigate their eligibility for other assistance.

#### In buildings in common ownership, the installation of a fire retardant door at the entrance to each house.

3.20 As such a door will be a door in a separating wall, it should comply with Part D of the Technical Standards. The entire doorway should be made fire resistant in compliance with this standard, including any adjacent fanlight, other window or infill panel.

3.21 Grant may be paid for the provision of fire retardant doors to however many houses within the building whose owners wish to apply. Eligibility is not dependent on all owners taking part.

#### In buildings in common ownership, the installation of a main-door entryphone system

3.22 This should comply with Part Q of the Technical Standards. The Act mentions only installation of such a system. As with other items, general maintenance work would not be eligible for grant, but the replacement of a system which no longer functions, or which does not meet the required standards, could be considered.

3.23 Where an entry-phone system is installed, it is necessary for every house which uses the common door to be connected (main-door flats are not affected). Eligibility for grant will therefore require the agreement of the owners of all relevant houses.

### Repairs

3.24 Grants for repair are intended to deal with defects which if neglected would lead to deterioration of the fabric of the building. This most often involves action to prevent water penetration, including roof repairs, replacement of damaged harling, or replacement of severely rotted window frames and sills. Routine maintenance and cosmetic works, such as painting woodwork or replacing occasional tiles, should not normally be grant-aided, nor works to remedy minor defects which do not affect the fabric of the building.

### Replacement of lead plumbing

3.25 Grant can be approved for works to alter or replace lead plumbing, to combat the health risks associated with the presence of high levels of lead in drinking water. This may involve:

- a) the by-passing, relining or replacement of a lead-lined tank supplying water to the tap in the kitchen or other tap used as the “drinking tap”
- b) the replacement or by-passing of lead piping within the house or the curtilage of a house, and leading to the drinking tap, or
- c) a combination of (a) and (b) above.

3.26 Before approving an application for grant, the local authority should be satisfied that the drinking water supply does not meet the standards for lead content set out in current drinking water quality regulations, and that the proposed works will enable the supply to meet those standards, or at least achieve a substantial improvement. Tests on individual properties may not be necessary if the authority is satisfied, by representative sampling or otherwise, that the conditions in a particular area can be expected to give rise to unacceptable levels of lead in drinking water. If an individual test is required, the cost of this can be included in the grant application.

3.27 In some parts of Scotland, water is treated to prevent lead dissolving into the supply, and the authority may wish to take this into account in determining priorities for grant.

### Reducing exposure to radon gas

3.28 Radon is a natural radioactive gas released from the ground. There is evidence that exposure to high levels increases the risk of lung cancer. The level of exposure depends both on geological factors and on the type of house, as some types of construction allow the gas to disperse more effectively than others. Following advice from the National Radiological Protection Board (NRPB), if a house is found to have a concentration of radon gas above 200 becquerels per cubic metre, the occupier is advised to take steps to reduce exposure to the gas. Applications for grant should therefore be approved where they are supported by a radon measurement provided by NRPB, showing that action is necessary. The type of works that may be required to substantially reduce exposure will depend on the construction of the house.

3.29 Further information about radon measurement and remedial works is included in SDD circular 29/1992, which is available on the Scottish Executive’s Improvement and Repair Grants website.

#### 4. ELIGIBLE APPLICANTS

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4.1 The Act does not specify who is eligible to apply for or receive an improvement or repair grant. It only specifies one category of person who is not eligible for improvement grant or fire escape grant. A **tenant** is not eligible for an improvement grant unless the planned works:

- a) have been his responsibility under the lease for 2 years; or
- b) are adaptations for a disabled occupant; or
- c) are required for the health and safety of the occupants of the house.

There are no restrictions on eligibility for repair grants.

4.2 The Housing Grants (Assessment of Contributions)(Scotland) Regulations 2003 specify the categories of applicant to which each type of assessment applies. These are set out in paragraphs 11.2, 11.8 and 11.9 of this guidance. For any applicant not covered by these categories, the applicant's contribution is assessed as the full approved expense of the works. This means that they will not receive any grant unless a minimum percentage grant applies.

4.3 Where the (non-owner) occupier does not have a formal lease, for example if they are a member of the owner's family, they will not be treated as a tenant. If such an occupier applies for grant, instead of the owner, the provisions of the Assessment of Contributions regulations mean they will not receive any grant, other than a minimum percentage grant, unless the works are adaptations for a disabled occupant.

## 5. CONDITIONS FOR APPROVAL OF APPLICATIONS

- 240 5.1 Having confirmed that the works and the applicant are eligible for grant, a local authority must then be satisfied that certain additional conditions are met, before they can approve an application for grant. These conditions vary depending on the type of grant or works involved.
- 5.2 The general conditions are that:
- 240(1)(a) a) The owners of all the houses involved and any other land on which work is to be carried out must have consented in writing to the work and to being bound by the conditions of grant set out in paragraph 17.1.
- 240(1)(b) b) The works must not have been begun before the application is approved, unless the local authority is satisfied that there were good reasons for doing so.
- 240(2)(a)(ii)  
244(2) c) In a building containing more than one house, the works to be carried out under the current application must not prevent the future improvement of any other house in the building.
- 240(2)(b) d) The house must have been built or first converted to housing at least 10 years before the date of application, unless the work is only to provide standard amenities. Scottish Ministers may waive this requirement, either generally or for particular cases. Ministerial Directions have been made waiving this requirement for applications in respect of:
- adaptations for a disabled occupant
  - replacement of lead plumbing
  - works to reduce exposure to radon gas.
- The full text of these Directions is provided in Annex D
- 240(2)(a)(i) e) The local authority must be satisfied that the house will be in a reasonable condition on completion of the works.
- In most cases, the house must provide satisfactory housing accommodation for a period of time to be specified by Scottish Ministers, and must meet similarly specified requirements of construction, physical condition, services and amenities. More information on these requirements is given in paragraphs 5.5 to 5.7.
  - If the works are only for the provision of standard amenities, the house must simply meet the tolerable standard, including having all the standard amenities.
  - If the house is in a Housing Action Area (HAA), it must meet the standard specified in the HAA resolution, ie it must meet the tolerable standard and be in a good state of repair.
- 244(1)
- 250(7)

240(2)(c) f) The value of the house must not exceed the top value of a Council Tax valuation band prescribed by Scottish Ministers. There are various exceptions to this condition. However, **the current prescribed valuation band is band H, the highest band, for which the range of values is “over £212,000”. Since band H has no top value, this condition currently has no effect.** The band is prescribed in the Improvement and Repair Grant (Prescribed Valuation Band)(Scotland) Order 2003, reproduced at Annex B3.

249(2) 5.3 For a **fire escape grant**, none of these conditions apply. The only requirement for approval of the application is that the house must be in a reasonable state of repair on completion of the works. The conditions set out in paragraph 17.1 do apply, however, and it would be good practice, where possible, to inform the owner of the property of the application.

248(6)(c) 5.4 Where the application relates to **business premises**, which are eligible for grant under a Repair Notice for common repairs, only conditions (a) and (b) above apply. The local authority must also be satisfied that the house, or houses, in the same building will provide satisfactory housing accommodation for such period as they consider reasonable.

#### **Requirements specified by Scottish Ministers**

240(2)(a)(i) 5.5 A local authority shall not approve an application for improvement grant, apart from an application which relates exclusively to the provision of standard amenities, unless they are satisfied that the house “will provide satisfactory housing accommodation for such period and conform with such requirements with respect to construction and physical condition and the provision of services and amenities” as Scottish Ministers may specify.

5.6 Scottish Ministers’ requirements were set out in SDD Circular 21/1988, which is available on the Scottish Executive’s Improvement and Repair Grants website. The requirements expand on the tolerable standard, giving details of aspects such as required activity areas and the extent of satisfactory lighting and ventilation.

5.7 Local authorities are free to approve applications for grant where the house is to be improved to a higher standard than the tolerable standard. However, the authority should not normally require higher standards than the requirements specified by Scottish Ministers. They should seek to avoid any situation where an applicant is dissuaded from carrying out basic work by a requirement to increase the scope or sophistication of the proposals.

## 6. ENFORCEMENT POWERS

6.1 Local authorities have a range of powers under the 1987 Act to enforce necessary works to houses, each of which triggers eligibility for mandatory grant towards the costs of the specified works. This section provides a brief summary of the enforcement powers. It is not a full description of the procedures for their use.

### Improvement Order

88 6.2 Where a local authority are satisfied that a house does not meet the tolerable standard, they may make an Improvement Order, requiring the owner to execute works within 180 days to bring the house up to the tolerable standard and put it into a good state of repair.

6.3 If the owner does not comply with the Improvement Order, the local authority may acquire the building, by agreement or by compulsory purchase, in order to carry out the works themselves.

6.4 The prescribed form of improvement order is set out in the Form of Improvement Order (Scotland) Regulations 2003, referenced at Annex C1

### Repair Notice

108 6.5 Where a local authority are satisfied that a house is

- a) in a state of serious disrepair, or

- b) is in need of repair and is likely to deteriorate rapidly, or to cause material damage to another house, if no action is taken,

they may serve a Repair Notice, requiring the person in control of the house to execute works within 21 days to rectify the defects specified in the notice.

6.6 If the Repair Notice is not complied with, the local authority may execute the works themselves and recover the expenses, with interest, from the person having control of the house and/or the owner. The expenses may be repaid as a lump sum or in instalments with interest, and the local authority may make a charging order on the property for those expenses.

6.7 The prescribed form of repair notice is set out in the Form of Repair Notice (Scotland) Regulations 2003, referenced at Annex C2

## Housing Action Area

90, 91 6.8 Where a local authority are satisfied that the majority of houses in an area do not meet the tolerable standard, they may make that area a Housing Action Area (HAA) for demolition, for improvement, or for demolition and improvement. They shall serve a notice on the owner of each house in that area which requires improvement, informing them of the making of the HAA and the standard which must be achieved.

6.9 If an owner does not agree to undertake the necessary works, the local authority may acquire the house by agreement or by compulsory purchase in order to carry out the works themselves.

## Means of escape from fire

162 6.10 If it appears to a local authority that a house in multiple occupation (HMO) does not have sufficient means of escape from fire, they may serve a notice requiring works to be undertaken to provide such means of escape, within a specified period of not less than 21 days.

6.11 If the notice is not complied with, the local authority may undertake the works and recover the costs from the person on whom the notice was served. It is an offence to wilfully fail to comply with a notice under these provisions.

6.12 It should be noted that this enforcement power applies to houses in multiple occupation as defined in the 1987 Act, that is,

“houses which, or a part of which, are let in lodgings, or which are occupied by members of more than one family.”

It does not automatically relate to the requirements of HMO licensing under the Civic Government (Scotland) Act 1982. However, local authorities could, if they wished, serve a notice under this section on a house requiring to be licensed, which would make the works eligible for mandatory grant (see paragraphs 6.10 and 6.14). Other works required to obtain an HMO licence may also be eligible for grant.

## **Mandatory And Discretionary Grants**

6.13 The 1987 Act provides that a local authority “shall” approve an application for grant in some cases, and “may” approve an application in other cases. No changes have been made to these categories of mandatory and discretionary grant.

6.14 Grant is mandatory:

- 88(7)  
248(1)(a)  
249(1)(a)  
250(6)  
250(7)
- a) for works to comply with the requirements of any enforcement actions under the Housing (Scotland) Act 1987, as outlined above, or under other legislation which specifically applies the grant provisions of the 1987 Act; or
- 244(1)  
244(3)  
244(5)
- b) to provide any of the standard amenities, including any additional standard amenity which is essential to the needs of a disabled occupant. (Where a standard amenity is required for a house in multiple occupation, the authority may serve an enforcement notice under s.161. In this situation, grant is not mandatory.)
- 238 All other grants are discretionary.

## 7. ADAPTATIONS FOR DISABLED OCCUPANTS

236(2)(a)(ii) 7.1 One specific function of improvement grants, provided for in the Act, is to adapt a house to make it suitable for a disabled person, within the meaning of the Disability Discrimination Act 1995. The house must be the disabled person's only or main residence, or it must be expected to become their only or main residence within a reasonable period after the works are completed.

236(3)

7.2 Grant for such works is discretionary, except where it is to provide a standard amenity which, in the opinion of the local authority, is essential to the needs of a disabled occupant. The local authority therefore needs to have a policy to determine the circumstances in which grant applications for adaptations will be approved, and how they will be prioritised. Section 5.14 of "Community Care – The Housing Dimension" (Scottish Office, 1994) makes clear that health, social work and housing sectors must work closely together to meet the needs of people with disabilities, and that social work departments must make available specialist advice from appropriately qualified staff. In most cases, an occupational therapist employed by the local authority will undertake an assessment of the applicant's needs and will advise on what is required to meet those needs, based on their expertise in disability and environmental adaptation.

7.3 Housing adaptations are one option within a continuum of services for disabled people, which can range from provision of small items of equipment and temporary adaptations to personal care services, to rehousing. It is therefore important that any person who applies for grant for adaptations work should be encouraged to make contact with Social Work services, if they have not already done so, before the application is processed. Their needs can then be fully assessed within the single shared assessment process, and all the options explored.

7.4 In the past, the maximum grant available for adaptations was 75% of the approved expense. In many cases, local authorities provided funding for part or all of the remainder from Social Work budgets – so called "topping-up". The introduction of the assessment of applicant's contribution allows for grants up to 100%, depending on the applicant's income, and a minimum percentage grant of 50% for all approved grants for adaptations. In light of this, local authorities will wish to review their policies on topping-up, and other aspects of the relationship between housing grants and Social Work services including the legal responsibilities of Social Work services to provide assistance. Local partners will want to consider how both adaptations and equipment services might be brought into joint resourcing and joint management arrangements.

7.5 Paragraphs 11.5 to 11.7 provide guidance on applications for grant for adaptations work where the disabled person is not the owner or eligible tenant, or where they may not have the capacity to consent to making the application or to arrange for the works to be done.

### **Part III – Amount of grant**

## 8. CALCULATION OF THE AMOUNT OF GRANT

8.1 Once it has been decided that an application for grant will be approved, the amount to be paid must be calculated. The amount of grant payable is the greater of:

- 242(1)(b) a) the approved expense minus the applicant's contribution; or
- 242(1A) b) a percentage of the approved expense as specified in Regulations for particular cases (minimum percentage grant).

8.2 This gives three elements to be determined:

- a) the approved expense, ie, the approved cost of eligible works
- b) the applicant's contribution
- c) any minimum percentage grant which applies.

8.3 Two separate methods are prescribed for assessment of the applicant's contribution, one based on the applicant's personal income, for owner-occupiers, tenants and disabled occupants, and another based on the increase in property value resulting from the works, for landlords and businesses.

8.4 In the personal income assessment, income is to be determined over the year immediately preceding the date of application. For other applicants, the value of the property is to be determined at the date of application. For various reasons, there may sometimes be a delay between the initial enquiry and the point at which funds can be made available for the work. Authorities will need to consider their procedures to ensure that the registered date of application, and date of approval, are both as close as possible to the time when works are begun and costs incurred.

## 9. APPROVED EXPENSE

9.1 The Act states that

240A(4)

““approved expense” means, in relation to works referred to in an application, the amount of the expense of executing those works (as estimated in the application) approved by the local authority as being attributable to each house proposed to be provided or improved”

In determining the approved expense, the local authority will wish to be satisfied that the expense estimated in the application is reasonable for the works specified, and how much of the works specified are eligible for grant. The Act makes clear that the approved expense is that which relates to executing the works, and any additional costs are therefore likely to be excluded. Having taken these points into account, the local authority may decide to fix the approved expense at an amount lower than the estimate given in the application, and lower than the statutory maximum expense. In such cases, they must explain to the applicant in writing the grounds for their decision.

9.2 The definition does not allow for any other funding available to the applicant for the works, such as insurance payments, to be taken into account in fixing the approved expense. However, where insurance or compensation payments are available to cover specific works, local authorities may refuse applications for discretionary grant which include those works, and request instead an application relating only to costs not otherwise covered. Where the costs cannot be separated, relevant insurance and compensation payments are taken into account in the assessment of applicant’s contribution for owner-occupiers etc.

242(2)

9.3 The local authority may agree a higher approved expense after the grant has been approved, if they are satisfied that the costs will exceed the original estimate, through circumstances beyond the control of the applicant. This will normally be due to additional works which are found to be required after work is started, which could not have been known earlier. As with the initial amount, the authority must check that the works are eligible and the costs are reasonable.

242(1)(a)

9.4 The maximum approved expense attributable to any one house for one grant application is normally £20,000.

9.5 Under the previous system, different approved expenses were prescribed for different types of grant, including specific amounts for each standard amenity. This has now been standardised at £20,000 for all types of grant, with the following provisos:

- 242(4) a) The maximum level of £20,000 may be exceeded with the approval of Scottish Ministers, if the local authority are satisfied that there are good reasons for doing so. Procedures for requesting Scottish Ministers' approval are set out in chapter 18.
- 242(5) b) Where any improvement or repairs grant, or any assistance under the Crofters' Building Grants and Loans Scheme, has been paid or approved for payment in respect of the same house within the past 10 years, the maximum approved expense for the current application is £20,000 minus the amount of the previous grant, or the total of all previous grants. This restriction also prevents a combination of grants being awarded at one time totalling more than £20,000.
- This provision does not apply to previous grants that were paid as minimum percentage grants, nor where either the current or previous grant relates only to standard amenities or to adaptations for a disabled occupant.
- 249(3A) c) For fire escape grants, the approved expense is reduced by the amount of any previous fire escape grants paid in respect of the same house within the past 10 years.

9.6 The increase in the maximum approved expense limit is not expected to lead to a general rise in the value of works for which grant is awarded. Local authorities should continue to carefully scrutinise the costs presented to them in grant applications. It is recognised, however, that building costs have risen since the limit was last increased in 1988, and a larger proportion of grant applications now require approval to exceed the statutory maximum. The increase in that maximum increases the level of local authority discretion, and should reduce the administrative burden of requesting Scottish Ministers' approval for higher approved expense.

## 10. MINIMUM PERCENTAGE GRANT

10.1 In some circumstances, a minimum percentage grant applies, so that a set percentage of approved expense is paid for all approved applications, even where the applicant would receive nothing, or very little, through the test of resources. Minimum percentage grants are intended to encourage specified types of work and facilitate co-operation from owners who might otherwise be reluctant to agree to works, due to the low level of assistance available.

10.2 The existence of minimum percentage grants has no effect on local authorities' discretion to approve or refuse an application for grant, nor on the categories of mandatory grant. It is part of the calculation of the amount of grant to be paid, if the application is approved.

10.3 There are two statutory provisions for minimum percentage grants. S.244(7) of the Act provides that a minimum percentage grant shall be made for the provision of standard amenities. S.242(1A) enables Scottish Ministers to specify other cases in regulations. This has been done through the Housing Grants (Minimum Percentage Grant)(Scotland) Regulations 2003, reproduced at Annex B2.

10.4 The circumstances in which minimum percentage grants apply are:

- a) installation of standard amenities, including additional standard amenities required for the use of a disabled occupant;
- b) bringing a house from below the Tolerable Standard up to the Tolerable Standard;
- c) adaptations to meet the needs of a disabled occupant;
- d) works required following service of a statutory repairs notice, improvement order, or Housing Action Area resolution;
- e) works required following service of a s.162 notice requiring provision of a fire escape for a house in multiple occupation
- f) common works to a building which includes more than one house (or a house and other premises);
- g) works to replace lead water pipes or to reduce exposure to radon gas.

10.5 These categories cover all cases where grant is mandatory (a, d and e) and those which, under the previous grants system, enabled grants to be given above 50% of the approved expense (b, c, g).

10.6 (f) is included to facilitate agreement between owners. The definition of common works requires that:

- the building comprises two or more houses, or a house or houses and other separate premises;
- the works will benefit two or more such houses or premises; and
- the costs will be shared among the owners or occupiers of those houses or premises.

10.7 To ensure this provision applies in all cases, and to avoid any complications as the reform of property law in Scotland takes effect, there is no reference to title conditions or liability for maintenance. Minimum percentage grant may be awarded even where the works are technically the responsibility of only one owner, if other owners have agreed that the works will benefit their property and they are willing to share the costs. An example would be where the roof of a tenement belongs only to the top flat, but leaks affect the stair and could damage the fabric of the whole building.

10.8 With one exception, all minimum percentage grants are now set at 50% of the approved expense. This means that, where the assessment produces a grant level of 49% or less, the amount to be paid is 50%. Where the assessment produces a grant level of 51% or more, that is the amount to be paid.

10.9 The exception is (e) above, where a s.162 notice has been served requiring provision of a fire escape for a house in multiple occupation. In this case, the minimum percentage is set at 20%.

A8

10.10 The local authority should check whether a minimum percentage grant applies before calculating the applicant's contribution. If a minimum percentage grant applies, the applicant may opt simply to take the minimum percentage and avoid giving details of his income, or having his property valued. However, where it seems likely that the applicant would qualify for more than 50% grant, they should be encouraged to provide information for the assessment. Where the amount of grant calculated through the assessment is higher than the amount offered under the minimum percentage grant, the applicant will receive the higher amount.

10.11 Where an application includes some works eligible for minimum percentage grant and others which are not, it should be treated as two applications, one for minimum percentage grant and one for ordinary grant. However, the processing involved will be minimised by calculating the percentage of applicant's contribution before splitting the approved expense. If the applicant is entitled to more than the minimum percentage grant, both applications will be payable at that level. Only if the assessment produces a grant level below 50% is it necessary to calculate the two amounts separately.

## 11. ASSESSMENT OF APPLICANT'S CONTRIBUTION – CATEGORIES OF APPLICANT

11.1 The Housing Grants (Assessment of Contributions)(Scotland) Regulations 2003 set out two methods of assessment, and the applications to which each assessment applies.

### Occupiers

- A3 11.2 The assessment described in Part II of the regulations applies to the following categories of applicant:
- a) the owner, where they or a member of their family occupy the house as their main residence;
  - b) an agricultural or crofting tenant, who is treated as the owner of the property for the purpose of grant, under s.256 of the Act;
  - c) a tenant eligible for grant (see paragraph 4.1);
  - d) a liferenter who is responsible for the relevant works;
  - e) a disabled occupant, or the parent of a disabled child, where the application relates to adaptations to meet their needs;

11.3 These categories, together with the “non-occupier” categories described in paragraph 11.8, reinforce the principle that in most cases the owner is responsible for maintaining the property, and should make the application for grant. Tenants and liferenters may apply where they are responsible for the relevant works. Tenants may also receive grant where the works are necessary for their health and safety, and disabled occupants to adapt the house to meet their needs.

- 83 11.4 A member of the owner's family includes a parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew or niece. It includes relationships by blood, by half-blood and by marriage, and any person who is brought up or treated by another person as if they were their child. Should the case arise where the house is occupied by a member of the family of a tenant eligible for grant, but the tenant lives elsewhere, the tenant can still apply for grant.

- A3(d) 11.5 Where the works are required to make the house suitable for the accommodation, welfare or employment of a disabled occupant, the disabled person should make the application for grant, even if they are not the owner, tenant or liferenter. This strategy is expected to make higher levels of grant available for adaptations work, and encourage owners to agree to such works being carried out, since their own income is not taken into account. The owner's consent is still required before the application can be approved.

- A3(e) 11.6 Where the application relates to adaptations to meet the needs of a disabled person who is under 16 the application should be made by the person with parental responsibility for the disabled person: usually the person with whom the disabled person normally lives. The income of this

person and their partner, if any, will be taken into account in the assessment of applicant's contribution. Once a disabled young person reaches the age of 16, they should make the application themselves, even if the house to which the application relates is the family home, belonging to their parents. As before, the owner's consent to the application is required.

11.7 If it is considered that a disabled person aged 16 or over for whose benefit adaptations are required does not have the capacity to make the application, an attorney or guardian may be able to make the application on their behalf, and the income to be taken into account will be that of the disabled person. In such cases, grants officers may wish to seek the advice of Social Work colleagues, on how decisions should be made about an individual's capacity to give consent and the provisions of the Adults With Incapacity (Scotland) Act 2000. Guidance issued by the Scottish Executive Community Care Division on Direct Payments may be helpful in this respect. It also provides some sensitive advice on dealing with young disabled people and their parents.

### **Non-occupiers**

A29(a) 11.8 The assessment described in Part III of the regulations applies to owners of property which neither they nor a member of their family occupies as a main residence. These will mainly be landlords (who own property for rent which is currently tenanted or between tenants) and developers (who own property to be converted to housing, or empty housing to be renovated).

A29(b) 11.9 It also applies to any person on whom a repair notice or Housing Action Area notification is served in respect of premises other than houses. Premises other than houses are eligible for grant if they are in a building which also includes a house or houses, and where a notice has been served for common works to which the business is required to contribute. The notice may be served on the owner or occupier of the premises. This most often affects shops or offices with flats above.

248(6)

### **Other applicants**

A35 11.10 Part IV of the regulations provides that, for anyone outwith these categories, the applicant's contribution is equal to the approved expense, meaning that they will receive no grant unless a minimum percentage grant applies.

## 12. OCCUPIERS' ASSESSMENT

12.1 The assessment of applicant's contributions for applicants in the "occupier" category is based on the personal income of the applicant and others who are deemed to share responsibility for the house.

### "Relevant persons"

- A4 12.2 The total amount of income on which the assessment of contribution is based is the sum of the applicable income of all "relevant persons". The relevant persons are:
- a) the applicant
  - b) the applicant's spouse
  - c) except where the grant relates to adaptations for a disabled person, any joint owner or joint tenant with the applicant, and the spouse of any joint owner or joint tenant.
- 83 12.3 The Act, as amended by the 2001 Act, provides that "spouse" includes unmarried and same-sex partners who live together as if they were married. Elsewhere in this guidance, and in other information on the grants system, "partner" is used in preference to "spouse". Where an application is made by the person with parental responsibility for a disabled child, the income assessed is that of the applicant and their current partner, who may or may not be the disabled child's other parent. Paragraph 12.34 sets out how parental responsibility is to be determined. (Provisions relating to students aged 16 and over are not relevant in this context).
- A3(e) 12.4 The partners of the applicant and of all joint owners or joint tenants are included in the assessment, whether or not they are joint owners or joint tenants themselves. There are various reasons why a house may be purchased in one name or both, but if two people live together as partners, it may be assumed that they have a shared interest in the condition of their property. Any other arrangement would see couples whose house is in only one name receive significantly more grant than those who have bought jointly.
- A4(4) 12.5 Whether two people normally live together as partners should be assessed at the date of application. If one partner is temporarily away, on business, studying, in hospital or for whatever reason, they are still considered partners if they intend to live together again in future.

## Calculation

12.6 The applicable income of each relevant person is assessed as follows:

- (a) Determine whether they are “passported” by receipt of specified benefits
- (b) Add up all relevant income for the assessment period
- (c) Subtract all relevant deductions and allowances.

A4(1)

12.7 The total applicable income from all relevant persons is then compared to the table set out in the Schedule to the Regulations, and the approved expense is multiplied by the appropriate percentage to find the applicant’s contribution for that application. An extended table is given at the end of this section, showing the equivalent grant percentage (the applicant’s contribution subtracted from 100). Worked examples of the calculation are provided in Annex E.

## Passporting

A9

12.8 The first element of the assessment is to check whether the applicant or their partner is in receipt of Income Support (IS), Income-based Jobseekers’ Allowance (I-JSA), or the Guarantee element of Pension Credit (GPC). (GPC is equivalent to Income Support for those over 60, and replaces the Minimum Income Guarantee.) The applicant does not need to show that they have been in receipt of the relevant benefit for any length of time, just that they have a valid claim on the date of the application.

12.9 If the applicant or their partner is in receipt of IS, I-JSA or GPC on the date of the application, they are assessed as having no applicable income. No further information or calculation is required for this couple. In most cases, this will result in a 100% grant. However, if there are additional relevant persons (ie joint owners or joint tenants), their applicable income must also be assessed. The final grant percentage is based on the income of all joint owners and their partners, and will only result in 100% if no relevant persons have any applicable income.

## Assessment period

A2

12.10 The income to be calculated is the applicant’s **actual** income for the year (52 weeks) preceding the date of application, taking into account all changes in circumstances over the year. Investment in a property is a long-term commitment, and it is appropriate to take a measure of income over a period of time.

A7

12.11 If it is not possible to determine the actual amount over the preceding year, the local authority may base its calculation on:

- the income from another full year within the previous 3 years; or
- figures for a period shorter than a year, multiplying up to produce an annual equivalent, if records are not available for the full year. This

method should not be used routinely to calculate an annual equivalent of the applicant's income at the date of application, if their circumstances have changed over the year. It should only be used if it is not possible to find out what their actual income was for the whole year.

The local authority may decide to accept partial records for verification purposes, if they are satisfied that the applicant's income from that source has not varied from month to month.

## **Income**

### Excluded income

12.12 The assessment takes into account only income which is specifically mentioned in the regulations. For the avoidance of doubt, Schedule 2 lists items specifically excluded, but these are only a small number of examples. The main forms of income excluded from the calculation are those from the following sources:

- a) welfare benefits (except Housing Benefit)
- b) tax credits
- c) charitable payments
- d) Direct Payments to purchase community care or children's services

12.13 Eligibility for allowances is based on receipt of certain benefits. It may, therefore, be necessary to know whether the person receives a benefit, but it is not necessary to know how much they get.

### Earnings

A10-11

12.14 Total earnings from all forms of employment and self-employment are included in the assessment, net of tax and NI contributions. The Regulations specify in detail what payments are included in earnings, for clarity in more complex cases. For example, expenses are excluded where they are necessarily and exclusively incurred in the performance of the duties of the employment, but reimbursement of the applicant's expenses for their normal home-to-work travel is included as income, as are childcare costs paid by the employer. If there is any doubt whether a payment should be included in the assessed income, reference should be made to the Regulations. The definition of earnings is the same as for the calculation of Housing Benefit.

A12-14

12.15 For a self-employed earner, the assessed income from earnings is the net profit of the business, or his share of the net profit, after tax and NI contributions.

### Pension contributions

A11(b), (c)  
A13(4)(c)  
A13(9)(b)

12.16 **Half** of any contributions to occupational or personal pensions, including stakeholder pensions, is deducted from the total earnings. This provision aims to strike a balance between encouraging people to save for their retirement, and highlighting the importance of investing in the maintenance of their property. The full amount should be entered on the application form and verified by the local authority before calculating the applicable income. (The full amount should be entered in the grant calculator software; the system will calculate half and subtract it from income)

### Savings and investments

12.17 The capital value of savings and investments is not taken into account, but any income from them is included in the assessment. This includes all interest, whether or not it is reinvested, from the date it is credited to the applicant's account. Any payments from investments derived from any source are also included, apart from charitable payments. Payments from certain trusts are specifically excluded. These are:

- the Macfarlane Trusts
- the Fund (for people who contracted HIV through transfusions)
- the Independent Living Funds
- the Eileen Trust
- the Skipton Fund
- the variant Creutzfeld-Jakob trusts.

These last three were added by the 2004 Amendment Regulations.

### Income from pensions

A19

12.18 Income from occupational pensions, personal pensions including stakeholder pensions, and annuities, are all included in the assessment. Second or additional state pension (formerly SERPS) is also included, since the amount is related to the person's level of contributions. Basic state retirement pension is considered equivalent to a benefit, and is therefore disregarded, as is pension credit. All war pensions, war widows' pensions and associated mobility supplements are disregarded.

### Capital payments

A21

12.19 Capital payments made within the three years preceding the date of application are assessed as income within the assessment period, to the extent that they are made to enable the works to which the application relates to be carried out. This is relevant principally to compensation or insurance payments relating to disability or damage to buildings.

12.20 Where the application relates to adaptations for a disabled occupant, any compensation award or insurance payment relating to their disablement may be relevant. For example, where a person has suffered

an injury which results in them needing to use a wheelchair, and has been paid compensation which reflects the expected additional costs they will face as a result, that compensation payment will be included in the assessment for a grant to widen doors, provide ramps etc, where these have been accepted as eligible works (see paragraph 9.2). It would be excluded where grant is approved for that person for works to prevent dampness or replace unsafe electrical wiring. Payments to compensate for pain and distress, and criminal injury payments, should not be included in the assessment.

12.21 Similar provision applies to payments from a buildings insurance policy, where they have been made in consequence of some damage to the building which the planned works are intended to repair.

A23(2) 12.22 Any capital payments which are repayable by the relevant person are excluded from the calculation. This avoids penalising any applicant who may have already arranged a loan to cover their expected contribution to the cost of works.

#### Other income

A22  
A2 12.23 Income from any rented property owned by the applicant, including rooms rented out in his own home, is included in the assessment. Rental income is defined as income received less any allowances which are deductible for income tax purposes. Tax deductible expenses include mortgage payments, maintenance and management fees. The applicant should have documentation from the Inland Revenue showing the relevant net income.

A23(a) 12.24 Maintenance payments to support the applicant or any child for whom the applicant is responsible are included. Payments from a local authority for fostering or adoption should not be counted.

A20 12.25 If the applicant is a tenant, any Housing Benefit received over the assessment period is included in the assessment. This is set off against rent payments (see **Error! Reference source not found.**).

12.26 The Regulations also include the following rules, to clarify difficult cases and prevent fraud:

A17(1) a) A person is treated as possessing income of which he has deprived himself for the purpose of increasing the amount of grant. This would apply if the applicant has arranged to receive less income over the assessment period than he would normally, perhaps from a business partnership or from an investment scheme.

A17(2) b) A person is treated as possessing income which he could reasonably have expected to receive within the assessment period, even if he has not received it. This enables the assessment to take into account regular payments (such as rent or maintenance) which would fall within the assessment

- period but are overdue, or payments which will be backdated.
- A17(3) c) If any income is paid jointly to an applicant and one or more other persons, it will be treated as if each of them is entitled to an equal share.
- A23(b) d) Any payment to a third party in respect of an applicant shall be treated as possessed by the applicant to the extent that it is used for food, clothing, fuel or rent for the applicant or his family
- A23(b) e) Any payment to an applicant in respect of a third party shall be treated as possessed by the applicant to the extent that it is kept or used by him or on behalf of his family.
- d) and e) ensure that any income available for the applicant's everyday use is taken into account, even if it is in another person's name.

These rules apply only to the types of income which are included in the assessment generally. Local authorities are not expected to investigate these issues in relation to every application, but the rules can be used where an applicant is suspected of deliberately concealing income in order to obtain a higher level of grant than he is entitled to.

### **Housing costs**

12.27 Mortgage and rent payments are deducted from the total assessed income. The regulations define both of these as "rental payments", covering any payment which the relevant person is contractually obliged to make in order to allow the relevant person or a member of their family to occupy the house. Only the amount which the relevant person is contractually required to pay is eligible for deduction. If they have made additional payments, or even paid off a mortgage early, the extra amount cannot be deducted. The expenses of any property which the relevant person owns for let will be included in the calculation of rental income — see paragraph 12.23.

12.28 Relevant payments include repayments on any loan secured on the property for the purpose of:

- a) acquiring the property;
- b) repairing or improving the property; or
- c) paying off any loan which was originally obtained for purposes a) or b), ie, remortgaging.

Repayments on any secured loans taken out for other purposes are not eligible to be deducted.

12.29 Council tax and water charges are not deducted, nor are any additional payments for services, bills or meals. Service charges which must be paid as a condition of occupation are included in the allowable deduction. Premiums for insurance policies which are required as a condition of a relevant secured loan are included, but those which are only recommended are not.

## Allowances

12.30 Allowances are made to reflect the costs of raising children, and the additional costs of living associated with disability. These allowances are calculated on a weekly basis, according to the number of complete weeks when the qualifying conditions were met, during the past 52 weeks. The amounts of allowances are informed by the allowances applying to Income Support, and will be updated periodically.

12.31 Changes of circumstance may occur when a child is born, adopted or comes to live with the applicant; when a child reaches the age of 16, leaves full-time education or goes to live elsewhere; or when a person becomes eligible, or stops being eligible, for benefits relating to disability. The number of eligible weeks should be calculated from the date of the change of circumstances up to the date of application, or from one year before the date of application to the date of the change. A complete week is any period of 7 days, starting on any day of the week.

### Children

A26(a)(i) 12.32 An allowance of £47 per eligible week is deducted from the total income for each child or student for whom the applicant or their partner is responsible.

A27 12.33 A child or student in this context is defined as a person under 16, or over 16 and under 22 in full-time education. To be counted as in full-time education, they must be on a course of education provided by a school, FE college or university which requires attendance for 24 weeks or more in the year. For school and further education, it must involve more than 16 hours per week of programmed learning. Higher education courses are designated as full-time or part-time by the institution, which should be contacted if there is any query. A student qualifies for the allowance until the end of the academic year in which they have their 21st birthday.

A27(3)

A27(2) 12.34 A person is responsible for a child who normally lives with him. If there is any question as to which person a child normally lives with, the child shall be treated as normally living with:

- a) the person who receives child benefit for him; or
- b) the person who has made a claim for child benefit for him (if only one claim has been made); or
- c) the person who has primary responsibility for him.

12.35 A person is also treated as responsible for any student in full-time further or higher education if his income could be assessed for a contribution to the student's support, whether or not an application has been made for a student grant or student loan. Both parents of a student can normally have their income assessed, although only one allowance can be made for each child involved in the application. Full details of the arrangements for student support are available from the Student Awards Agency for Scotland.

A26(a)(ii) 12.36 An additional allowance of £42 is made for each child who receives Disability Living Allowance or who is registered blind.

### Disability

A26(b) 12.37 An applicant is eligible for an allowance for disability if he or his partner receives a relevant benefit or is registered blind. Correspondence from the Benefits Agency, Inland Revenue or Veterans Agency should be available to show the relevant dates if eligibility started or ended during the year of assessment, and evidence of payments should show whether the claim is still current. It is not necessary to investigate the amount of benefit paid.

12.38 The qualifying benefits are:

- a) Disability Living Allowance
- b) the disability element of Working Tax Credit
- c) Disabled Person's Tax Credit<sup>1</sup>
- d) Severe Disablement Allowance<sup>2</sup>
- e) Incapacity Benefit
- f) War Pensioner's Mobility Supplement
- g) Attendance Allowance
- h) another equivalent benefit paid to meet attendance, care or mobility needs due to disability or illness.

12.39 Applicants are also eligible for an allowance if they:

- A26(c)
- a) are registered blind; or
  - b) were previously in receipt of one of the benefits in 12.38, but have ceased to receive it because they have either reached the maximum age limit for the benefit or are being treated in hospital as an in-patient; or

A26(d)  
A26(e) 12.40 The amount of the allowance for disability is £35 per week for a single applicant, and £50 per week for an applicant with a partner. One allowance at this higher rate is deducted per couple, regardless of whether it is the applicant, his partner or both who meet the qualifying criteria.

### **Calculating total applicable income and amount of grant**

12.41 The total applicable income for the application is calculated by adding together the assessed applicable incomes of all applicants and their partners. That amount is then compared to the table set out in the Schedule to the Regulations, to find the percentage of the approved expense to be contributed by the applicant. The grant percentage is 100% minus the percentage of the applicant's contribution.

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<sup>1</sup> Working Tax Credit replaces Disabled Person's Tax Credit, but some claims for DPTC may still be in processing at 1 October 2003.

<sup>2</sup> Severe Disablement Allowance is now discontinued, but those who claimed before it was abolished may continue to receive it.

12.42 The table is informed by average household incomes across Scotland, so that approximately 10% of households (who do not qualify for passporting), would be eligible for grant between 100% and 90%, 10% of households between 90% and 80%, and so on. Those who have no income other than benefits, after mortgage/rent costs and allowances have been deducted, qualify for 100% grant. The figure of £10 net income is a mathematical convenience to ensure that the income ranges are always in whole numbers of pounds.

242(1)

12.43 If a minimum percentage grant applies, but the applicant's contribution is less than 50%, then the figure determined by the test of resources is the figure to be used in calculating the amount of grant.

## Income to grant table

Net income		Applicant's contribution	Grant percentage	Net income		Applicant's contribution	Grant percentage
From	To			From	To		
£0	£9.99	0	100	£13,000	£13,299.99	51	49
£10	£242.99	1	99	£13,300	£13,599.99	52	48
£243	£475.99	2	98	£14,200	£14,499.99	55	45
£476	£708.99	3	97	£14,500	£14,799.99	56	44
£709	£941.99	4	96	£14,800	£15,099.99	57	43
£942	£1,174.99	5	95	£15,100	£15,399.99	58	42
£1,175	£1,407.99	6	94	£15,400	£15,699.99	59	41
£1,408	£1,640.99	7	93	£15,700	£15,999.99	60	40
£1,641	£1,873.99	8	92	£16,000	£16,299.99	61	39
£1,874	£2,106.99	9	91	£16,300	£16,599.99	62	38
£2,107	£2,339.99	10	90	£16,600	£16,899.99	63	37
£2,340	£2,572.99	11	89	£16,900	£17,199.99	64	36
£2,573	£2,805.99	12	88	£17,200	£17,499.99	65	35
£2,806	£3,038.99	13	87	£17,500	£17,799.99	66	34
£3,039	£3,271.99	14	86	£17,800	£18,099.99	67	33
£3,272	£3,504.99	15	85	£18,100	£18,399.99	68	32
£3,505	£3,737.99	16	84	£18,400	£18,699.99	69	31
£3,738	£3,970.99	17	83	£18,700	£18,999.99	70	30
£3,971	£4,203.99	18	82	£19,000	£19,499.99	71	29
£4,204	£4,436.99	19	81	£19,500	£19,999.99	72	28
£4,437	£4,669.99	20	80	£20,000	£20,499.99	73	27
£4,670	£4,902.99	21	79	£20,500	£20,999.99	74	26
£4,903	£5,135.99	22	78	£21,000	£21,499.99	75	25
£5,136	£5,368.99	23	77	£21,500	£21,999.99	76	24
£5,369	£5,601.99	24	76	£22,000	£22,499.99	77	23
£5,602	£5,834.99	25	75	£22,500	£22,999.99	78	22
£5,835	£6,067.99	26	74	£23,000	£23,499.99	79	21
£6,068	£6,300.99	27	73	£23,500	£23,999.99	80	20
£6,301	£6,533.99	28	72	£24,000	£24,799.99	81	19
£6,534	£6,766.99	29	71	£24,800	£25,599.99	82	18
£6,767	£6,999.99	30	70	£25,600	£26,399.99	83	17
£7,000	£7,299.99	31	69	£26,400	£27,199.99	84	16
£7,300	£7,599.99	32	68	£27,200	£27,999.99	85	15
£7,600	£7,899.99	33	67	£28,000	£28,799.99	86	14
£7,900	£8,199.99	34	66	£28,800	£29,599.99	87	13
£8,200	£8,499.99	35	65	£29,600	£30,399.99	88	12
£8,500	£8,799.99	36	64	£30,400	£31,199.99	89	11
£8,800	£9,099.99	37	63	£31,200	£31,999.99	90	10
£9,100	£9,399.99	38	62	£32,000 upwards		100	0
£9,400	£9,699.99	39	61				
£9,700	£9,999.99	40	60				
£10,000	£10,299.99	41	59				
£10,300	£10,599.99	42	58				
£10,600	£10,899.99	43	57				
£10,900	£11,199.99	44	56				
£11,200	£11,499.99	45	55				
£11,500	£11,799.99	46	54				
£11,800	£12,099.99	47	53				
£12,100	£12,399.99	48	52				
£12,400	£12,699.99	49	51				
<b>£12,700</b>	<b>£12,999.99</b>	<b>50</b>	<b>50</b>				

### **13. NON-OCCUPIERS' ASSESSMENT**

13.1 The assessment for applicants in the “non-occupier” category is based on the increase in property value which will result from the proposed works, so that grant is awarded where the work may not be commercially viable. Additional criteria adjust the applicant’s contribution to reflect the contribution of the works to housing and regeneration priorities. Worked examples of this assessment are provided at Annex E

#### **Valuation**

A28  
A30

13.2 The first stage of the test is for the local authority to determine the increase in value which will arise from the planned works. Valuations should be obtained through a qualified valuer nominated by the local authority. This may be the district valuer, an in-house valuer or another surveyor acceptable to the authority. The starting valuation should reflect the condition of the property as it is at the date of application. The second valuation is an estimate of the value that property would have, at the same date, if all the proposed works had already been completed to a satisfactory standard. By taking an estimate of the value at the same date, any change in value due to fluctuations in the market are disregarded. Valuations should reflect the price which the house could be expected to fetch on the open market with vacant possession, and assuming that no grant was to be available.

13.3 Since valuations are to be obtained through a valuer nominated by the local authority, the cost of valuations may be included as part of the general administrative costs of the grants system, and charged to the Private Sector Housing Grant. Alternatively, local authorities may choose to require the applicant to commission a valuer nominated by the authority, and pay for the valuations. Bear in mind that an applicant may be aggrieved at being asked to pay for valuations if no increase in value is identified, and therefore no grant is payable.

13.4 The applicant has no specific right to a review of the valuation of the property (see paragraph 16.7). Local authorities may wish to make arrangements to obtain a second pair of valuations if requested, and should keep this in mind when identifying their principal nominated valuer.

#### **Excess expense**

A32

13.5 The increase in value is compared to the approved expense. If the increase in value exceeds the approved expense, the applicant’s contribution is 100% of the approved expense. If the approved expense is greater than the increase in value, the excess expense is the amount on which the level of grant/applicant’s contribution is calculated. The applicant must always pay the amount of the increase in value (except where a minimum percentage grant applies).

A31 13.6 For non-profit housing providers (see paragraph 13.12), there is assumed to be no increase in value, and the excess expense is therefore equal to the full amount of the approved expense. There may also be other situations where the proposed works do not add to the value of the property and the excess expense equals approved expense. If the works result in a decrease in value, as may occasionally be the case, for example with some disabled adaptations, the approved expense is still the maximum amount which can be paid in grant.

### Criteria

A32 13.7 The applicant's contribution is then calculated as a percentage of the excess expense. The maximum applicant's contribution is the added value plus 80% of excess expense. This reflects whatever criteria the local authority uses to determine whether or not to approve an application for grant. Since most grants are discretionary, it is felt that any application which in the local authority's view merits approval, merits at least 20% of the excess expense. An additional 20% of the excess expense is then deducted from the applicant's contribution for each of the following criteria that are satisfied:

A33 The works:

- a) provide additional housing by the conversion or subdivision of property or by bringing back into use housing which has been empty for at least two years;
- b) bring the property up to at least the Tolerable Standard;
- c) are part of a refurbishment scheme;
- d) are common works to a building which includes more than one house (or a house and other premises);
- e) are carried out by a not-for-profit housing provider;
- f) significantly increase the extent to which a disabled person can independently enter and move around the house and operate all fittings, services and controls.

A28 13.8 A refurbishment scheme is defined as a scheme where a single contract is to be let to undertake a similar programme of improvement or repair works to 3 or more houses. This might include a project by a private-sector landlord to upgrade all their properties in one or a number of areas, a mixed-tenure scheme undertaken by the local authority or Registered Social Landlord (RSL), or a scheme simply agreed on by a number of owners in one area. In each case, it results in a pro-active improvement of a portion of the local housing stock.

13.9 A refurbishment scheme which only comprises works to common parts of a building is excluded from this definition, since such works will gain additional funding under criterion (d). Works undertaken to implement repair notices are included where they are instigated by the owners involved, but not where they are undertaken by the local authority as a result of the owners' failure to comply with the notice.

A33(2)(d) 13.10 Criterion (d) is included to facilitate agreement between owners. The definition of common works requires that:

- the building comprises two or more houses, or a house or houses and other separate premises;
- the works will benefit two or more such houses or premises; and
- the costs will be shared among the owners or occupiers of those houses or premises.

13.11 To ensure this provision applies in all cases, and to avoid any complications as the reform of property law in Scotland takes effect, there is no reference to title conditions or liability for maintenance. Minimum percentage grant may be awarded even where the works are technically the responsibility of only one owner, if other owners have agreed that the works will benefit their property and they are willing to share the costs. An example would be where the roof of a tenement belongs only to the top flat, but leaks affect the stair and could damage the fabric of the whole building.

A33(2)(f) 13.12 A not-for-profit housing provider is an RSL, or a recognised charity or other organisation which does not trade for profit and which includes among its objects and purposes the provision, construction, acquisition, improvement, repair or management of houses for letting, sale or shared ownership. The organisation's aims need not be limited to housing activities. For example, this category could include local community trusts which might also work to increase employment opportunities and improve other community facilities.

A33(2)(e) 13.13 To determine whether proposed works will significantly increase the accessibility of the house for disabled people generally, the local authority should have regard to the standards in the Scottish Homes guidance "Housing for Varying Needs". To meet this criterion, the works must in this respect exceed the requirements of the Building Standards (Scotland) Regulations 1990, which specify a standard of "visitability". A significant increase in accessibility might be achieved by increasing the number of rooms with wheelchair access and other accessible features, or by changing fittings throughout the house. Consideration should be given to features which may help people with sensory and mental impairments, as well as physical disabilities.

13.14 The enhancement of grant for works which increase accessibility for disabled people generally is distinct from arrangements for adaptation work to meet the needs of a particular disabled occupant. Where the works are tailored to an individual's assessed needs, it will normally be most appropriate for the disabled person to make the application for grant – see paragraphs 11.5 to 11.7.

## Relationship to minimum percentage grant

13.15 Some of the criteria for enhanced grant are the same as categories of works eligible for minimum percentage grants (see section 10). However, this is not double-counting, since the two calculations are separate. Minimum percentage grants are set at 50% of the **approved** expense. The assessment for landlords etc calculates a percentage of the **excess** expense, where the approved expense exceeds the increase in value. In some cases the excess expense and the approved expense may be the same. In those cases, an application which meets two or more criteria under the assessment will qualify for more than the minimum percentage. Where the excess expense is less than the total approved expense, the application will need to meet more criteria to exceed the minimum percentage grant. Worked examples are provided in Annex E.

## **Part IV**

### **Procedures**

While the detailed procedures for dealing with grant applications are for local authorities to determine, a number of features are prescribed in the Act and associated secondary legislation. This section sets out those statutory requirements and other points of procedure which will be similar for all authorities.

## **14. EQUALITY ISSUES**

### **Legal requirements under the Race Relations (Amendment) Act 2000**

14.1 Public bodies are under a statutory duty to promote race equality and monitor their policies for any adverse impact on the promotion of race equality. Local authorities should ensure that they take full account of their duties under the Race Relations Act 1976, as amended by the Race Relations (Amendment) Act 2000, in implementing and administering the improvement and repair grants system. This will include monitoring the grant system for any adverse impact on race equality and reviewing the system as appropriate, as well as ensuring equal access to information and services relating to grants.

14.2 The local authority could monitor whether the number of applications from various racial groups are representative of the community, and whether the rates of applications approved are representative. Depending on the authority's procedures for processing applications, it may also be relevant to examine the proportion of initial enquiries which result in formal applications. In monitoring applicants' ethnic background, local authorities are recommended to use the categories set out in the Commission for Racial Equality's guidance, "Ethnic monitoring: a guide for public authorities in Scotland".

14.3 The profile of applications received and approved may depend significantly on the authority's priorities for grant. For example, if priority is given to applicants involved in mixed-tenure improvements initiated by the authority or an RSL, the areas chosen for improvement may affect the proportions of different racial groups among successful applicants for grant. If priority is given to older people, the different age profiles of different racial groups will have an effect. Local authorities will need to ensure that their overall policies on investment in private sector housing, as well as the particular implementation of the improvement and repair grants system, allow them to meet their responsibilities under the Race Relations Act.

14.4 In order that information on the availability of grants and the application process is accessible to all communities, local authorities should consider making information available in other languages, where appropriate, and in appropriate locations, for example where community groups meet. Relevant information will include notices, leaflets, application forms, information for applicants and standard letters. People for whom English is not their first language should also have equal access to services to help them complete their application, and to Care and Repair or similar services to help disabled people and those over 60 to arrange the works to their home.

## **Equality for disabled people**

14.5 Local authorities also have duties under the Disability Discrimination Act not to discriminate against disabled people in the provision of services. Under the DDA, discrimination occurs where a disabled person is treated less favourably than someone else, the treatment is for a reason relating to the person's disability, or the treatment cannot be justified. Discrimination also occurs where there is a failure to make a reasonable adjustment (in the way the service is provided) for a disabled person, and that failure cannot be justified.

14.6 It should be borne in mind that disabled people do not only access grants for adaptations; they may equally require grant for other purposes such as common repairs, or be involved in mixed-tenure improvement schemes. Although services such as Care and Repair may be of assistance, disabled people should be enabled as far as possible to deal with their application independently if they so wish.

14.7 Information, application forms and letters may be required in a variety of formats to be accessible to disabled people. Braille, large print and audio tape are the most commonly used, as well as information on computer disc which can be enlarged on screen or converted to speech. Application forms may be made available to be completed on computer, then printed out and signed. Authorities should also ensure that, from October 2004, reasonable adjustments are made to their premises to ensure access for disabled enquirers and applicants. Grants officers and other staff, such as surveyors, should have appropriate training in dealing with clients with particular needs.

## 15. THE APPLICATION PROCESS

### Information for potential applicants

15.1 A booklet for potential applicants on the full scope of the improvement and repairs grants system is available from the Scottish Executive, and on the Scottish Executive website. Supplies can be provided to local authorities to issue to enquirers.

15.2 The Scottish Executive booklet makes clear that many local authorities limit the circumstances or types of work for which grants are available. It is expected that each authority will provide more detailed information for its own residents on local policies and priorities, to help them decide whether to apply for a grant.

15.3 Another factor influencing their decision will be the amount of grant an individual is likely to receive. The Scottish Executive booklet explains the main features of the assessment of applicant's contribution, and provides an outline "ready reckoner". A more detailed estimate can be obtained using the online calculator on the Scottish Executive website. Local authority grants officers should also be ready to explain the system and provide outline estimates to enquirers, but are not expected to provide a full assessment until a formal application is submitted.

15.4 Those dealing with initial enquiries from potential applicants should seek to obtain sufficient information to identify what type of grant is required, so that the appropriate form and information can be issued.

### Applications

237

15.5 An application for Improvement or Repairs Grant must be in the prescribed form and contain full particulars of:

- a) the proposed works, including plans and specifications
- b) the land on which the works are to be carried out (so that the local authority can confirm that the owners of every piece of land have given consent)
- c) the estimated costs
- d) the information required for the assessment of applicant's contribution.

15.6 The Housing Grants (Application Forms)(Scotland) Regulations 2003 set out the four prescribed forms, each of which is to be printed in a different colour. These are:

- a) Improvement grant not relating to works for a disabled occupant (Blue)
- b) Improvement grant relating to works for a disabled occupant (Purple)
- c) Repairs grant (Green)

- d) Grant for a means of escape from fire for a house in multiple occupation (Brown)

15.7 There are slight differences in the questions in each form, reflecting the different requirements particularly in relation to the age of the house and eligibility of tenants to apply for grant. There are six sections, covering:

- A the address of the property, the applicant, the owner(s) of the property and the applicant's agent, if any;
- B details about the property and the proposed works and costs;
- C the applicant's relationship to the property, to confirm which assessment method applies;
- D information required for the occupiers' assessment;
- E information required for the non-occupiers' assessment;
- F declarations and signatures.

15.8 An extra section, D(Additional), collects information required for the occupiers' assessment from joint owners / joint tenants / joint liferenters. This section is provided as a separate document, to be issued by the local authority as required. One copy of D(Additional), for the appropriate type of grant, must be completed for each joint owner / joint tenant / joint liferenter, and attached to the main form at the end of part D. Every person whose details are given in part D and D(Additional) must sign the main form at part F.

15.9 The form for works for a disabled occupant has sections A to D only, plus the declaration for signature. No information on joint owners / joint tenants / joint liferenters is required in this type of application, and the application cannot be made by a non-occupier.

15.10 These are prescribed forms and must be reproduced exactly as in the regulations. Local authorities may not add logos or contact details, nor change the questions in any way. The forms may be provided in other languages or other formats, provided it is a faithful translation/transcription of the text of the prescribed form. Supplies of forms may be purchased from the Scottish Executive's printer, or the design can be provided electronically for local authorities to have printed elsewhere. For details, please contact

Jean Waddie  
Housing Division 2  
Scottish Executive  
Victoria Quay  
EDINBURGH  
EH6 6QQ

or email [Jean.Waddie@scotland.gov.uk](mailto:Jean.Waddie@scotland.gov.uk)

15.11 The local authority will need to provide additional information to applicants, including contact details, guidance on completing the

application form, verification documents to be provided, and monitoring forms. The authority must also obtain the written consent of the owner of the property, and may wish to ask applicants and other relevant persons to sign a data protection release. Exemplars of all these accompanying notes can be obtained from the address above.

15.12 The forms request only brief details of the works and costs, leaving the detail to be provided in the form of plans, specifications and estimates. The local authority will need to advise applicants what is required, in terms of sketches, scale drawings or architect's plans, and the number and detail of estimates to be submitted. Where information necessary to process the application will be evident from the detailed description of works, it is not separately requested in the application form. Grants officers will therefore need to scrutinise the detail of works to determine whether a minimum percentage grant applies or whether the works meet criteria for enhancement of grant under the non-occupiers' assessment.

15.13 Local authorities may choose to use a two-part enquiry/application process. Under such a system, initial information on the proposed works would be gathered first, so the applicant can be advised whether they would be eligible for grant, and whether a minimum percentage grant applied. Information for the assessment of applicant's contribution would be collected at a later stage when funds are available to award the grant. If such a system is used, it should be noted that a valid application has not been made until all the information listed in paragraph 15.5 is provided.

### **Verification of information**

237(3)

15.14 The local authority will wish to satisfy itself that the information provided in the application form is complete and accurate. In particular, the authority will require verification of ownership of the property, and of income and benefits received (for owner-occupiers etc). The authority may require an applicant to provide such information as they consider necessary, within a reasonable period that they may specify.

15.15 The type and amount of evidence requested should be reasonable in proportion to the approved expense and to the applicant's circumstances. Where the applicant has a number of sources of income, perhaps including self-employment, more detailed evidence will be required than for an applicant with just one full-time job and little in the way of savings or investments. It is the applicant's responsibility to provide information, and to obtain it from their employer or other provider of income if necessary. If the local authority has not previously applied any means testing to housing improvement and repair grants, it may be helpful to consult other departments, such as Finance or Social Work, to draw on their experience in devising verification procedures.

15.16 If the applicant fails to provide sufficient information to satisfy the local authority that the details in the application form are accurate, the authority has three options:

- 237(4) a) it may disregard the application, ie, refuse to process it further;
- 237A b) it may seek prosecution of the applicant, if the authority believes they have deliberately sought to obtain grant fraudulently; or
- A8 c) if the failure relates only to financial information, and a minimum percentage grant applies, the authority may offer the applicant the minimum percentage grant.

15.17 Where an application is disregarded, or is about to be disregarded, it would be good practice for the local authority to inform the applicant what information is lacking, and advise them whether the application can be reconsidered if the information is made available within a further specified period. If they choose to reconsider an application, local authorities must take care to ensure that all the information provided is still current.

15.18 It is an offence to:

- 237A a) knowingly or recklessly make a false statement in a grant application, or in response to a request for additional information for verification purposes;
- b) fail to notify the local authority of any material change of circumstances relating to a grant application; or
- c) fail to provide information requested by the local authority for verification purposes.

The penalty for any such offence is a fine up to level 3 on the standard scale (currently £1,100).

A8 15.19 In cases where a minimum percentage grant applies, the authority may accept an application without income details. (Information about the property and proposed works will still require to be verified). A minimum percentage grant will be paid regardless of the applicants' income. He may therefore choose to forgo the chance of a higher level of grant, in favour of avoiding giving income details, or having his property valued. This is a legitimate option which may be helpful in some cases. However, where it seems likely that the applicant would qualify for more than the minimum percentage, he should be encouraged to submit information for the assessment.

### **Data protection and use of other information**

15.20 The local authority may wish to seek the applicant's permission to use other information available to the authority to check the information in the application. For example, information on residence and property ownership may be held in electoral and council tax records. Other records might indicate a possible source of income that has not been declared, such as from an activity licensed by the local authority.

15.21 The local authority must ensure at all times that its processing of personal data complies with data protection and human rights legislation.

If other sources of information are to be used to verify information given in grant applications, the authority must check that this use is covered by its data registration, and update its registration where necessary.

## 16. APPROVAL OR REFUSAL OF APPLICATIONS

238 16.1 Except in the cases where grant is mandatory, set out in paragraph 6.14, it is for the local authority to decide whether to approve or refuse an application for grant. There is no time limit within which a local authority must process an application.

241 16.2 Where the local authority approves an application for grant, they must write to the applicant, and the owner if different from the applicant, with the following information:

- a) the approved expense. If the approved expense is less than the amount estimated in the application, the letter must explain why;
- b) the applicant's contribution;
- c) the amount of the grant, and whether it is a minimum percentage grant;
- d) the time within which the works are required to be carried out. The local authority may choose to set a condition that the improvement works are carried out within a specified period, of not less than 12 months.

16.3 Where the local authority refuses the application, they must write to tell the applicant the grounds for refusal.

16.4 These letters should be provided in languages other than English, or alternative formats, where appropriate.

### Review

16.5 There is no statutory provision for review of a decision to refuse an application for grant.

240B 16.6 The applicant can request a review of the calculation of the applicant's contribution. The review must be requested within 21 days of the date of the notification letter, unless the local authority is content to allow a longer period. The review must be carried out by a person senior to the person who made the original assessment, and who had no involvement in the original assessment. The authority must write to inform the applicant of the decision reached on review. No further review can then be requested.

16.7 There is no specific provision for a review of the valuations made as part of the non-occupiers' assessment. Valuations may be regarded as a professional opinion, equivalent to an opinion on whether works are necessary and eligible for grant. However, a second valuation may be offered if the local authority wishes to do so.

16.8 If the applicant disputes the decision to refuse a grant, or the review of the applicant's contribution, they may, of course, make a complaint

through the local authority's standard procedures. If this does not settle the matter, they may ultimately have a case to approach the Ombudsman or the courts. Information on these procedures should be provided to any applicant who disputes a decision.

### **Payment of Grant**

- 243(1)(a) 16.9 According to the Act, grant should be paid within one month of "the date on which, in the opinion of the local authority [the house] first becomes fit for occupation after the completion of the improvement works". In practice, the authority may require the applicant to submit the final invoice for the works before approving payment, to ensure that the full amount of grant has been invoiced and that payment is not made to the applicant in advance of need.
- 243(2) 16.10 Payment of grant is also on condition that the works are executed to the satisfaction of the local authority. The grants office may wish to check that a completion certificate has been issued, if required, before authorising payment. In the case of adaptations, the occupational therapist may also wish to check that the work has been done to the required specification. However, it should be made clear to the applicant at all stages that they are responsible for paying, or authorising payment to, the contractor, and they should ensure the work is to their own satisfaction, and in line with their specifications, before doing so.
- 16.11 Various building contractors' organisations, such as SNIPEF, operate licensing schemes for their members. The schemes vary in their requirements and monitoring. Greater consistency may result from current developments in connection with the establishment of the Construction Licensing Executive within the private sector. There will also in due course be Approved Certifiers of Construction in terms of the Building (Scotland) Act 2003. Local authorities may wish to consider recommending to applicants that they use contractors approved under such arrangements, but they should note that no conditions, apart from those set out in 17.1, can be required as a prerequisite of approving grant. Applicants therefore cannot be required to use approved contractors, except where this is a statutory requirement (as for gas installation).
- 243(1)(b) 16.12 Grant may be paid in instalments. If this is done, the total of the instalments paid up to any date must not exceed 50% of the approved expense of the work carried out to that date. If the percentage of the total approved expense being paid in grant is less than 50%, the local authority may prefer to restrict the amount of instalments to that lower percentage of the expense of the work to date.
- 243(3) 16.13 The balance of the grant, if paid in instalments, should be paid within one month of completion of the works, as for grant paid in one payment. If the works are not completed within 12 months of the payment of the first instalment, then the authority may demand repayment of all instalments paid to that date, with interest.

## 17. CONDITIONS APPLYING AFTER GRANT HAS BEEN MADE

- 246  
246(4) 17.1 Three statutory conditions apply to a house for five years after grant has been made. A local authority shall not impose any other conditions as a prerequisite of approving a grant. The conditions are that:
- 246(2) (a) the house shall be used as a private dwelling. This does not exclude use of part of the house as a shop or office, or for other business, trade or professional purposes.
- (b) if the house is occupied by the owner or a member of his family, it must be their only or main residence. This excludes payment of grant on second homes.
- (c) the house must, as far as practicable, be kept in good repair.
- 246(6) to  
246(10) 17.2 These conditions are binding on the owner(s) of the property and are deemed to be part of any lease or tenancy of the house while they apply. They are required to be registered in the Land Register or recorded in the Register of Sasines, using the form prescribed in the Housing Grants (Form of Notice of Payment)(Scotland) Regulations 2003, referenced at Annex C3. The charge for recording this notice is to be paid by the applicant. The local authority usually deducts the charge from the amount of grant paid. (If the applicant is a tenant at will, the local authority must keep a written record).
- 246(1) 17.3 The date from which the conditions apply is the date on which the final payment of grant is made.
- 246(3)  
Sch.19 17.4 The local authority may at any time require the owner of the house to certify that the conditions are being observed. If the conditions are breached, the grant must be repaid, with interest, unless the local authority waives the requirement. The consent of Scottish Ministers is required to waive repayment. Once the grant has been repaid, the conditions no longer apply and a notice to that effect is recorded in the Land Register or Register of Sasines, once again at the expense of the applicant for grant, using the form prescribed in the Housing Grants (Form of Cessation or Partial Cessation of Conditions Notice)(Scotland) Regulations 2003 referenced at Annex C4. The owner may voluntarily repay the grant in order to lift the conditions.

## **18. SCOTTISH MINISTERS' APPROVAL TO EXCEED MAXIMUM APPROVED EXPENSE**

242(4)

18.1 If the local authority is satisfied that there are good reasons for setting an approved expense above £20,000, they may apply to Scottish Ministers for approval to do so. Approval will normally be given, provided that the costs can be justified and the works are eligible.

18.2 An application for approval to exceed the maximum approved expense should include the following information:

- a) name of local authority
- b) address of the property
- c) type of grant (Improvement non-disabled / Improvement disabled / Repair / Fire escape)
- d) brief description of works
- e) reason for requirement to exceed maximum expense, including whether this is due to historical or architectural interest
- f) approved expense required (including fees and VAT).

18.3 If the request relates to a grant already approved by the local authority, where the expense needs to be increased to take account of unforeseen works, the request should show the amount already approved and the reason for increase. If the initial amount was above the statutory maximum, the reference from the original approval by Scottish Ministers should be quoted.

18.4 Where a further grant is applied for, in respect of the same property, within 10 years, the maximum approved expense is reduced by the amount of the previous grant or grants (see paragraph 9.5b). That reduced limit can be exceeded, with Scottish Ministers approval. In such cases, the application for approval should quote the reduced maximum, and the reason for awarding a further grant at a higher level must be justified.

18.5 Applications should be sent to:

Miss E Douglas  
Housing Division 2  
Scottish Executive  
Victoria Quay  
EDINBURGH  
EH6 6QQ.

## **19. TRANSITIONAL ARRANGEMENTS**

19.1 The new grants system described in this guidance comes into operation from 1 October 2003. Any applications not approved or refused before that date must be processed according to the new system, except those described in 19.4.

19.2 All applications approved before 1 October 2003 will normally continue to be handled and paid according to the rules in place at the date of approval. However, where work has not started, the applicant may ask for that grant to be withdrawn, and may reapply under the new system. Local authorities will wish to consider whether such reapplications should be given priority, or treated in the same way as an entirely new application submitted on the same date. It should be noted that the minimum period of 12 months for completion of the works will restart from the date of approval of a reapplication, since it is, in legal terms, no different from a completely new application.

19.3 There may be some applications which have been submitted before 1 October 2003, but have not been approved or refused by that date. In these cases, the local authority will need to ask the applicant for the additional information required to process the application according to the new system, including the assessment of applicant's contribution. It is not necessary to start the application completely afresh, nor to repeat any processing already carried out. Any information already held by the local authority in relation to the application can be transferred directly to the new system.

19.4 The only applications which may be processed under the old system after 1 October 2003 are those where enforcement action has been taken before that date, ie

- a) an Improvement Order has been issued; or
- b) a Repair Notice has been served; or
- c) a notice has been served informing the owner of the property of a resolution establishing a Housing Action Area under which improvements are required; or
- d) a notice has been served requiring provision of a means of escape from fire in a house of multiple occupation.

19.5 Any application made in relation to works required by such a notice or order, within 2 years of the date of the notice or order, may be processed according to the old grants system, if preferred. However, it is for the applicant to choose which system applies in such cases. The local authority should therefore ensure that sufficient information is available to applicants in this situation to allow them to balance the amount of grant available under each system against the requirement to provide additional information for the assessment. Although applications for grant may be accepted on this basis up to 2 years from the date of the notice or order, this does not affect the time limit set for complying with the notice or order.

19.6 Where the old system is selected, all the provisions apply as they were before 1 October 2003, including the maximum approved expense and limited eligible works.

**GUIDANCE FOR LOCAL AUTHORITIES  
ON  
IMPROVEMENT AND REPAIRS GRANTS**

**ANNEXES**

- A Consolidated versions of the Housing (Scotland) Act 1987**
- B Regulations applying to the amount of grant and eligibility**
- C Prescribed forms and notices**
- D Ministerial direction**
- E Worked examples**

**Annex A**

**Consolidated sections of the Housing (Scotland) Act 1987, as amended.**

This consolidated version shows selected sections of the Housing (Scotland) Act 1987 as they have been amended by legislation up to and including the Housing (Scotland) Act 2001. It has been produced by housing officials for illustration purposes only and should not be treated as definitive or authoritative.<sup>1</sup> In the case of any conflict, reference should be made to the original published versions of the 1987 Act and amending legislation.

“(2) ...” marks a subsection which has been repealed, to show that the numbering is continuous.

## 86 Definition of house meeting tolerable standard.

- (1) Subject to subsection (2), a house meets the tolerable standard for the purposes of this Act if the house
- (a) is structurally stable;
  - (b) is substantially free from rising or penetrating damp;
  - (c) has satisfactory provision for natural and artificial lighting, for ventilation and for heating;
  - (d) has an adequate piped supply of wholesome water available within the house;
  - (e) has a sink provided with a satisfactory supply of both hot and cold water within the house;
  - (f) has a water closet or waterless closet available for the exclusive use of the occupants of the house and suitably located within the house;
  - (fa) has a fixed bath or shower and a wash-hand basin, each provided with a satisfactory supply of both hot and cold water and suitably located within the house;
  - (g) has an effective system for the drainage and disposal of foul and surface water;
  - (h) has satisfactory facilities for the cooking of food within the house;
  - (i) has satisfactory access to all external doors and outbuildings;
- and any reference to a house not meeting the tolerable standard or being brought up to the tolerable standard shall be construed accordingly.
- (2) The Scottish Ministers may by order vary or extend or amplify the criteria set out in the foregoing subsection either generally or, after consultation with a particular local authority, in relation to the district, or any part of the district, of that authority.
- (3) This section shall be without prejudice to section 114 (certain underground rooms to be treated as houses not meeting the tolerable standard).

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<sup>1</sup> Many of the references to the Secretary of State in the 1987 Act now require to be read as references to the Scottish Ministers because those functions are, following devolution, now exercisable by the Scottish Ministers rather than the Secretary of State. That is in consequence of section 117 of the Scotland Act 1998.

A number of provisions of the 1987 Act as it was enacted required Treasury consent to be sought before the exercise of certain Ministerial functions. Following devolution, in terms of section 55 of the Scotland Act, provisions requiring such consent cease to have effect. This has been reflected in the text thus reproduced.

*Improvement grants***236 Power of local authorities to make improvement grant**

(1) Subject to the provisions of this Part, a local authority may give assistance by making an improvement grant in respect of

- (a) works required for the provision of houses by the conversion of houses or other buildings;
- (b) works required for the improvement of houses.

(2) Subject to subsection (4), in this Part

(a) "improvement", in relation to a house, includes

(i) alteration and enlargement,

(ia) replacement of unsafe electrical wiring,

(ib) installation of mains-powered smoke detectors,

(ic) provision of adequate heating systems,

(id) provision of adequate thermal insulation,

(ii) in relation to a house for a disabled occupant, the doing of works required for making it suitable for his accommodation, welfare or employment;

(iii) in relation to a building in common ownership, the matters specified in subsection (2A);

(b) any reference to works required for the provision or improvement of a house, whether generally or in any particular respect, includes a reference to any works of repair or replacement needed in the opinion of the local authority paying the grant for the purpose of enabling the house to which the improvement relates to attain a good state of repair,

and "improved" shall be construed accordingly.

(2A) The matters referred to in subsection (2)(a)(iii) are the installation of

- (a) a fire-retardant door at the entrance to each house,
- (b) a main door entry-phone system.

(3) In this section

"disabled occupant" means a disabled person for whose benefit it is proposed to carry out works in respect of which an improvement grant is sought;

"disabled person" has the same meaning as in the Disability Discrimination Act 1995 (c.50);

"house for a disabled occupant" means a house which

(a) is a disabled occupant's only or main residence when an application for an improvement grant in respect of it is made; or

(b) is likely in the opinion of the local authority to become a disabled occupant's only or main residence not later than the expiry of a reasonable period after the completion of the works in respect of which an improvement grant is sought.

(4) Any reference in this Part to works required for the improvement of a house does not include a reference to works specified in a notice under section 162 (which empowers a local authority to require the provision of means of escape in the case of fire in a house in multiple occupation) or to works required in connection with works so specified.

**236A Power to make improvement grants: further provision**

(1) A tenant is not eligible for an improvement grant unless the works in respect of which the grant is sought have, for the period of 2 years preceding the tenant's application, been his responsibility under his lease.

(2) Subsection (1) does not apply if the works are—

(a) for the purpose mentioned in section 236(2)(a)(ii), or

(b) required for the health and safety of the occupants of the house.

(3) The Scottish Ministers may by order modify subsections (2)(a) and (2A) of section 236, either generally or in relation to particular cases or areas.

(4) No such order shall be made unless a draft of the order has been laid before, and approved by resolution of, the Scottish Parliament.

**237 Form of application.**

(1) An application for an improvement grant shall be in such form as may from time to time be prescribed and shall contain full particulars of

(a) the works which are proposed to be or are being carried out together with plans and specifications of the works;

(b) the land on which those works are proposed to be or are being carried out;

(c) the expenses (including any professional fees) estimated to be incurred in executing the works, and where the application relates to the provision or improvement of more than one house, the estimate shall specify the proportion of the expenses attributable to each house proposed to be provided or improved, and

(d) such other matters, including information on the matters mentioned in section 240A(2)(a), as may be prescribed.

(2) Different forms and different information may be prescribed under subsection (1) for different purposes.

(3) A local authority may require an applicant to provide, within such reasonable period as they may specify, such information as they consider necessary to satisfy themselves that the information in the application form is accurate.

(4) The local authority shall disregard any application from an applicant who fails to comply with such a requirement.

**237A Offences in relation to applications for improvement grant**

- (1) A person who—
  - (a) knowingly or recklessly makes a statement
    - (i) in an application for an improvement grant,
    - (ii) in response to a requirement made under section 237(3), which is false in a material particular,
  - (b) fails, without reasonable excuse, to notify the local authority of any change of circumstances material to that person's case, or
  - (c) fails, without reasonable excuse, to comply with a requirement made under section 237(3), shall be guilty of an offence.
- (2) A person guilty of an offence under this section shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.

**238 Powers of local authority.**

- (1) Subject to this Part, a local authority may approve, or refuse to approve, an application under section 237.
- (2) If it approves the application, it shall, subject to this Part, make an improvement grant.

**239 Consent of Scottish Ministers.**

- (1) The Scottish Ministers may give directions to a local authority or to local authorities generally, requiring that an application for an improvement grant or all such applications of any class specified in the directions shall not be approved except with the consent of the Scottish Ministers and subject to any conditions which they may impose.
- (2) It shall be the duty of any local authority to comply with any such directions.

**239A Power of Scottish Ministers to give directions to prevent duplications of grant.**

- (1) The Scottish Ministers may, so as to prevent the duplication of the making of grants under this Part in respect of the same works, give directions to
  - (a) a local authority; and
  - (b) local authorities generally;as to the circumstances in which they, or any of them, may or may not exercise their powers under this Part or are or are not to perform their duties under this Part.
- (2) It shall be the duty of any local authority to whom directions have been given to comply with such directions.

**240 Conditions for approval of applications for improvement grant other than applications relating exclusively to the provision of standard amenities.**

- (1) A local authority shall not approve an application for an improvement grant

## ANNEX A

- (a) unless they are satisfied that the owner of every parcel of land on which the improvement works are to be or are being carried out, (other than land proposed to be sold or leased under section 12(4)), has consented in writing to the application and to being bound by any conditions imposed by or under section 246;
  - (b) if the improvement works specified in it have been begun, unless they are satisfied that there were good reasons for beginning the works before the application was approved.
- (2) A local authority shall not approve any such application, other than an application to which section 244 (provision of standard amenities) applies
- (a) unless, subject to subsection (6), they are satisfied that
    - (i) the house or houses to which the application for an improvement grant relates will provide satisfactory housing accommodation for such period and conform with such requirements with respect to construction and physical condition and the provision of services and amenities as may be specified for the time being for the purposes of this section by the Scottish Ministers, and
    - (ii) in a case where the house or houses to which the said application relates is or are comprised in a building containing more than one house, the works to be carried out on the house or houses will not prevent the improvement of any other house in that building;
  - (b) if the application is in respect of the improvement or conversion of a house provided less than 10 years prior to the date of the making of the application, but the Scottish Ministers may give directions, either generally or with respect to any particular case, as to the waiving of this provision;
  - (c) if, subject to subsections (3) to (6), it is made by the owner of the house to which the application relates or by a member of his family and the house or any part thereof is to be occupied by that owner or by a member of his family after completion of the works and
    - (i) the range of values for the valuation band in which the occupied premises are listed exceeds the range of values for the prescribed valuation band; or
    - (ii) if it is to be provided by the conversion of two or more houses, the aggregate of the middle values of the valuation band in which each of those houses is listed exceeds the highest value of the range of values for the prescribed valuation band:

Provided that where sub-paragraph (i) applies, a local authority may approve such an application if it is made in relation to a part of the house which after completion of the works will be self-contained and is not to be occupied by the owner or by a member of his family.
- (3) Paragraph (c) of subsection (2) shall not apply
- (a) where the house to which the application relates is in a housing action area for improvement declared under section 90 and is listed in the final resolution under section 92(4)(b) or (c) as requiring improvement or integration;
  - (b) where the house to which the application relates is subject to an improvement order made under section 88(1);
  - (c) in relation to an application for an improvement grant for the conversion of a building which does not at the date of the application consist of or include a house; or

(d) to a house which is to be occupied by a disabled person (as defined in section 236(3)) in so far as the application is in respect of works which his disability renders necessary if the house is to be suitable for his accommodation, welfare or employment.

(4) In paragraph (c) of subsection (2)

"middle value", in relation to a valuation band, means the amount midway between the amount which values in that range must exceed or in the case of valuation band A nothing, and the amount which they must not exceed;

"prescribed valuation band" means such valuation band as the Scottish Ministers may prescribe; and different valuation bands may be so prescribed for different cases and for different classes of cases; and a valuation band so prescribed shall be prescribed by order of the Scottish Ministers made by statutory instrument which shall be subject to annulment by resolution of the Scottish Parliament; and

references to a valuation band and a range of values shall be construed in accordance with section 74 of the Local Government Finance Act 1992 and are references to those which apply on the date of the application for grant.

- (4A) For the purposes of this section, premises or a house are listed in a particular band if that valuation band is shown as applicable to the premises or house in a valuation list compiled in accordance with Part II of the Local Government Finance Act 1992 or section 26 of the Local Government etc (Scotland) Act 1994.
- (5) The Scottish Ministers may by order made in a statutory instrument which shall be subject to annulment by resolution of the Scottish Parliament vary the provisions of paragraph (c) of subsection (2).
- (6) The local authority may, with the approval of the Scottish Ministers, disregard any requirement specified by them under subsection (2)(a)(i) in any case where, in the opinion of the local authority, conformity with that requirement would not be practicable at a reasonable expense.

#### **240A Assessment of applicant's contribution**

- (1) The Scottish Ministers may by regulations make provision for the assessment, in relation to such classes of application for an improvement grant as the regulations may specify, of an amount to be treated, for the purposes of section 242(1)(b), as the applicant's contribution towards the approved expense.
- (2) Regulations under subsection (1) may provide for assessment to be by reference to—
- (a) the income and other financial circumstances of the applicant, the applicant's spouse, any person who lives or intends to live with the applicant and any person on whom the applicant is dependent or who is dependent on the applicant,
  - (b) such other criteria as the Scottish Ministers think fit,
- and may make different provision for different cases or descriptions of case.
- (3) Regulations under subsection (1) shall be made by statutory instrument and shall not be made unless a draft has been laid before, and approved by resolution of, the Scottish Parliament.
- (4) In this Part—

"the applicant's contribution" means an amount assessed under subsection (1),

“approved expense” means, in relation to works referred to in an application, the amount of the expense of executing those works (as estimated in the application) approved by the local authority as being attributable to each house proposed to be provided or improved.

**240B Applicant’s contribution: review**

- (1) Where an applicant for an improvement grant requests a review of an assessment of the applicant’s contribution, the local authority to which the application was made shall review the assessment.
- (2) A request for a review shall be made before the end of the period of 21 days beginning with the day on which the notice under section 241(1) was given or such longer period as the authority may allow.
- (3) A review under subsection (1) shall be carried out by a person senior to the person who made the assessment being reviewed and who had no involvement in the making of that assessment.
- (4) The authority shall notify the applicant of the decision reached on review.
- (5) Notice required to be given to the applicant under subsection (4) shall be given in writing and shall, if not received by him, be treated as having been given only if it is made available at the authority’s office for a reasonable period for collection by him or on his behalf.
- (6) There is no right to request a review of a decision reached on review.

**241 Approval of application for improvement grant.**

- (1) Where a local authority approve an application made under the provisions of this Part for an improvement grant, they shall notify the applicant and where appropriate, the owner, of
  - (a) the approved expense,
  - (b) the applicant’s contribution (where it has been assessed under section 240A),
  - (c) the amount of the grant (and where the grant is a minimum percentage grant, a statement of that fact).
- (2) In approving an application for an improvement grant a local authority may require as a condition of paying the grant that the improvement works are carried out within such period (which must not be less than a period of 12 months) as the local authority may specify or within such further period as the local authority may allow.
- (3) Where a local authority
  - (a) refuse an application, or
  - (b) approve an application but fix as the approved expense in respect of any house an amount less than the amount of the expense estimated in the application in respect of that house (unless the approved expense is the maximum amount which may be fixed under section 242),

they shall notify the applicant in writing of the grounds of their decision.

**242 Amount of improvement grant.**

- (1) Subject to the following provisions of this section—
  - (a) the approved expense shall not exceed £20,000 or such other amount as may be prescribed, in respect of each house to which the application relates,
  - (b) the amount of improvement grant payable shall be—
    - (i) the approved expense under deduction (where applicable) of the applicant's contribution, or
    - (ii) where subsection (1A) applies, the amount determined by virtue of that subsection, whichever is the greater.
- (1A) In such cases as the Scottish Ministers may specify in regulations, the amount for the purposes of subsection (1)(b)(ii) shall be such percentage of the approved expense as may be so specified; and such regulations may make different provision for different cases or classes of case.
- (1B) Where the amount of improvement grant payable is that determined by virtue of subsection (1A), the grant is referred to in this Part as a "minimum percentage grant".
- (1C) Regulations under subsection (1A) shall be made by statutory instrument and shall not be made unless a draft has been laid before, and approved by a resolution of, the Scottish Parliament.
- (2) If, after an application for a grant has been approved by a local authority, the authority are satisfied that owing to circumstances beyond the control of the applicant the expense of the works will exceed the estimate contained in the application, they may, on receiving a further estimate, substitute a higher amount as the amount of the approved expense of executing the works, but that amount shall not exceed the maximum authorised by virtue of subsection (1)(a).
- (3) ...
- (4) If the local authority are satisfied that in any particular case
  - (a) there are good reasons for fixing a higher approved expense than that which may be fixed by virtue of subsection (1), the approved expense may be exceeded by such amount as the Scottish Ministers may approve; and the approval of the Scottish Ministers may be given either with respect to a particular case or with respect to a particular class of case;
  - (b) the expense of executing the works was materially enhanced by measures taken to preserve the architectural or historic interest of the house or building to which the application relates, the amount payable by virtue of subsection (1) may be exceeded by such amount as the Scottish Ministers may approve.
- (5) Subsection (5A) applies in relation to an application for an improvement grant, other than—
  - (a) an application to which section 244 applies, or
  - (b) an application in respect of works for the benefit of a disabled occupant within the meaning of section 236(3).

- (5A) Where this subsection applies, the maximum approved expense for the purposes of subsection (1)(a) shall be reduced by the total amount of any qualifying grants and assistance in respect of the same house which have been paid or approved for payment within the period of 10 years preceding the date on which the application is determined.
- (5B) In subsection (5A), “qualifying grants and assistance” means—
- (a) improvement grants, other than—
    - (i) grants under section 244,
    - (ii) grants in respect of works for the benefit of a disabled occupant within the meaning of section 236(3), and
    - (iii) minimum percentage grants,
  - (b) repairs grants, other than minimum percentage grants, and
  - (c) assistance under section 42(4) of the Crofters (Scotland) Act 1993 (c.44).
- (6) Where by virtue of the making on any occasion of an improvement grant in respect of the improvement of a house, the conditions specified in section 246 are required to be observed with respect to the house before the observance thereof by virtue of the making of an improvement grant on a previous occasion has ceased to be requisite, the provisions of sections 246, 247, and Schedule 19 shall apply in relation to the house as regards each occasion on which an improvement grant is so made as if it were the only occasion on which it was so made.
- (7) - (8) ...
- (9) The maximum approved expense that may be prescribed under subsection (1) shall be prescribed by order of the Scottish Ministers made by statutory instrument which shall be subject to annulment in pursuance of a resolution of the Scottish Parliament.
- (10) An order under this section may make different provision with respect to different cases or descriptions of case.

**243 Payment of improvement grant.**

- (1) An improvement grant in respect of the expenses incurred for the purpose of the execution of improvement works shall, subject to the following provisions of this section, be paid
- (a) within one month of the date on which, in the opinion of the local authority, the house first becomes fit for occupation after the completion of the works; or
  - (b) partly in instalments paid from time to time as the works progress and with a final settlement of the balance within one month of the completion of the works but the aggregate of the instalments paid shall not at any time before the completion of the improvement works exceed 50 per cent., or such other percentage fixed by virtue of section 244(7) of the aggregate approved expense of the works executed up to that time.
- (2) The payment of an improvement grant or of an instalment or the balance thereof shall be conditional on the improvement works, or, as the case may be, the part of the works which the local authority consider will entitle the applicant to payment of the instalment or of the balance of the grant, being executed to the satisfaction of the local authority.

- (3) Where an instalment of an improvement grant is paid before the completion of the works, and the works are not completed within 12 months of the date of payment of the instalment, then that instalment and any further instalment paid by the local authority on account of the grant shall, on being demanded by the authority, forthwith become payable to them by the person to whom the instalments were paid, and the instalments shall carry interest at such reasonable rate as the local authority may determine from the date on which they were paid by the authority until repaid under this subsection.

**244 Duty of local authorities to make improvement grants where an application relates exclusively to the provision of standard amenities or to disabled occupant; and amount thereof.**

- (1) Subject to the provisions of this Part, a local authority shall, where an application in that behalf is made to the local authority, give assistance in respect of the improvement of any house by way of making an improvement grant in respect of the cost of executing works required for the house to be provided with one or more of the standard amenities which it presently lacks, if on completion of the works the house will, in the opinion of the local authority
  - (a) be provided with all of the standard amenities for the exclusive use of its occupants; and
  - (b) meet the tolerable standard.
- (1A) The standard amenities are those amenities referred to in section 86(1)(e), (f) and (fa).
- (1B) An order under section 86(2) may amend the reference to the provisions of that section specified in subsection (1A) of this section.
- (2) A local authority shall not make an improvement grant under this section in respect of a house comprised in a building containing more than one house, unless they are satisfied that the works carried out on the house will not prevent the improvement of any other house in the building.
- (3) Where an application in that behalf is made to a local authority in relation to any house, an improvement grant shall be made under subsection (1) in respect of the cost of executing works required for the house to be provided with a standard amenity, notwithstanding that the house already has such a standard amenity, if in the opinion of the local authority the additional standard amenity to be provided is essential to the needs of a disabled occupant.
- (4) Paragraph (a) of subsection (1) shall not apply where the house in respect of which application for a grant is made is not likely to be available for use as a house for a period of at least 10 years.
- (5) Subsection (1) shall not apply in respect of a house which is or forms part of a house or building as regards which the local authority are satisfied that they have power to serve a notice under section 161 (power to require execution of works of descriptions other than work to make good neglect).
- (6) ...
- (7) The amount of an improvement grant made under this section shall be a minimum of 50 per cent. or such other percentage as may be prescribed of the approved expense.
- (8) ...
- (9) Section 86 shall have effect for determining whether a house meets the tolerable standard for the purposes of subsection (1) as it has effect for determining whether a house meets that standard for the purposes of Part IV.

- (10) The Scottish Ministers may by order
- (a) vary the requirements of subsection (1)(a) and (b);
  - (b) ...
- (11) ...
- (12) The percentage of the approved expense that may be prescribed under subsection (7) shall be prescribed by order of the Scottish Ministers; and different provision may be made for different cases or descriptions of case.
- (13) An order made under subsection (10)(a) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of the Scottish Parliament.
- (14) An order made under subsection (12) shall be made by statutory instrument and shall not be made unless a draft has been laid before and approved by resolution of the Scottish Parliament.

**245 Grants restricted to applicant and his personal representatives.**

In relation to a grant or an application for a grant, any reference in the preceding provisions of this Part to the applicant shall be construed, in relation to any time after his death, as a reference to his personal representatives.

**246 Conditions to be observed with respect to houses in respect of which an improvement grant has been made, and registration thereof.**

- (1) Where an application for an improvement grant has been approved by a local authority, the provisions of this section shall apply with respect to the house for a period of 5 years beginning with the date on which, in the opinion of the local authority, it first becomes fit for occupation after the completion of the improvement works, and shall, so long as those provisions are required to be so observed, be deemed to be part of the terms of any lease or tenancy of the house and shall be enforced accordingly.
- (2) It shall be a condition of the grant that
- (a) the house shall not be used for the purposes other than those of a private dwelling-house, but a house shall not be deemed to be used for the purposes other than those of a private dwelling-house by reason only that part thereof is used as a shop or office, or for business, trade or professional purposes;
  - (b) the house shall not be occupied by the owner or a member of his family except as his only or main residence within the meaning of Part VII of the Taxation of Chargeable Gains Act 1992;
  - (c) all such steps as are practicable shall be taken to secure the maintenance of the house in a good state of repair.
- (3) The owner of the house shall, on being required to do so by the local authority, certify that the conditions specified in subsection (2) are being observed with respect to the house, and any tenant of the house shall, on being so required in writing by the owner, furnish to him such information as he may reasonably require for the purpose of enabling him to comply with the provisions of this subsection.

- (4) A local authority shall not, as a prerequisite of approving a grant, require any conditions or obligations, other than the conditions mentioned in this Part or other statutory obligations to be observed with respect to a house in respect of which an improvement grant has been made under this Part.
- (5) The provisions of Schedule 19 shall have effect in the event of a breach of any of the conditions mentioned in this section at a time when they are required to be observed with respect to a house.
- (6) Where a local authority pay an improvement grant or, in a case where an improvement grant is payable partly in instalments as the improvement works progress and the balance after the completion of the works in respect of a house, they shall specify in the notice or record mentioned respectively in subsections (7) and (8) the matters specified in subsection (9).
- (7) If subsection (6) applies, the local authority shall, where the applicant for the grant was not a tenant-at-will or was a tenant-at-will who since applying, has acquired his landlord's interest in the tenancy, cause to be recorded in the General Register of Sasines or registered in the Land Register, as the case may be, a notice in such form as may be prescribed.
- (8) If subsection (6) applies, the local authority shall, where that applicant was and continues to be a tenant-at-will, keep a written record.
- (9) The matters to be specified are
  - (a) the conditions mentioned in this section which are required to be observed with respect to the house;
  - (b) the period for which the conditions are to be observed; and
  - (c) the provisions of Schedule 19 under which, on a breach of any of the said conditions at a time when they require to be observed, the owner of the house becomes liable to repay to the authority the amount repayable by virtue of that Schedule.
- (10) Any expenses incurred under subsection (7) recording the notice in the Register of Sasines or registering it in the Land Register, as the case may be, shall be repaid to the local authority by the applicant.

**247 Voluntary repayment of improvement grants.**

- (1) The owner of a house in respect of the provision or improvement of which an improvement grant has been made or the holder of a heritable security over the house, being a heritable creditor entitled to exercise his power of sale, may, at any time when the conditions specified in section 246 are required to be observed with respect to the house, pay to the local authority the like amount as would become payable to them by virtue of Schedule 19 in the event of a breach of any of the conditions referred to in section 246(2), and on the making of the payment observance with respect to the house of those conditions shall cease to be requisite and the provisions of paragraph -6 of the said Schedule shall apply for the purposes of this subsection as they apply for the purposes of that Schedule.
- (2) A sum paid under subsection (1) by a heritable creditor shall be treated as part of the sum secured by the heritable security.

*Repairs grants.*

**248 Repairs grants.**

- (1) Subject to the provisions of this section, where an application for a repairs grant is duly made a local authority

- (a) shall approve the application in so far as it relates to the execution of works required by a notice under section 108(1) (repair notices); and
  - (b) in so far as it does not so relate, may approve the application in such circumstances as they think fit.
- (2) A local authority shall not approve an application under this section unless they are satisfied that the house to which the application relates will provide satisfactory housing accommodation for such period as they consider reasonable.
- (3) - (4) ...
- (5) Sections 237 to 243 and 245 to 247 shall apply in relation to an application for a repairs grant or to a repairs grant as they apply in relation to an application for an improvement grant or to an improvement grant, except that for the purposes of the application of section 243(1)(b), the words from "or such other" to "244(7)" are omitted.

Provided that section 240(2)(c) shall not apply

- (a) in relation to an application for a repairs grant in respect of the replacement in a different material of such pipes, cisterns, taps or other equipment used for the supply of water to a house as are wholly or partly made of lead;
  - (b) in relation to an application for a repairs grant in respect of works intended to reduce exposure to radon gas.
- (6) References in this section to a house shall, in relation to an application made under this section for a grant in respect of works which are to rectify defects specified in a notice under section 108(1), be construed as including references to premises other than a house; but where such an application relates to such premises
- (a) the local authority shall not, under subsection (2), approve the application unless they are satisfied that the premises form part of a building which contains a house or houses and that house or, as the case may be, all those houses will provide satisfactory housing accommodation as mentioned in that subsection;
  - (b) ...
  - (c) subsection (5) shall be construed as if the enactments excepted by that subsection included sections 240(2) to (6), 246(1), (2), (3), and (5) to (10) and 247.
- (7)-(11) ...

*Grants for fire escapes*

**249 Grants for fire escapes for houses in multiple occupation.**

- (1) Subject to the provisions of this section, where an application for a grant for a means of escape from fire in a house in multiple occupation is duly made, a local authority
- (a) shall approve the application in so far as it relates to the execution of works specified in a notice served on any person, other than a public body, under section 162 (which empowers a local authority to require the provision of a means of escape from fire in a house in multiple occupation);
  - (b) in so far as it is not so specified but is required in connection with works so specified, may approve the application.

- (2) A local authority shall not approve an application under this section unless they are satisfied that at the time of completion of the works to which the application relates the house will be in reasonable repair (disregarding the state of internal decorative repair) having regard to its age, character and location.
- (3) Where a local authority approve an application under this section they shall determine the maximum amount of expenses which they think proper to be incurred for the relevant works; but that amount shall not exceed £20,000 or such other amount as may be prescribed.
- (3A) In relation to an application under this section, the maximum amount that may be fixed under subsection (3) shall be reduced by the total amount of any grants under this section in respect of the same house which have been paid within the period of 10 years preceding the date on which the application is determined.
- (4)-(5) ...
- (6) Sections 236 to 247 (other than sections 240, 241(3)(b), 242(1)(a) and (5) to (10) and section 244) shall apply in relation to an application for a grant under subsection (1) or to a grant under subsection (1) as they apply in relation to an application for an improvement grant or to an improvement grant, except that
- (a) references to the approved expense shall be treated as references to the maximum amount of expenses determined under subsection (3), and
- (b) for the purposes of the application of section 243(1)(b), the words from "or such other" to "section 244(7)" are omitted.
- (7) In subsection (1), "public body" means a regional, islands or district council or such other body as the Scottish Ministers may by order made by statutory instrument specify.
- (8) The maximum amount of expenses prescribed under subsection (3) shall be prescribed by order of the Scottish Ministers made by statutory instrument which shall be subject to annulment in pursuance of a resolution of the Scottish Parliament.
- (9)-(10) ...
- (11) An order under this section may make different provision with respect to different cases or descriptions of case.

*Grants for houses in housing action areas*

**250 Application of this Part to houses situated in a housing action area and power of local authority to give repairs grants in such areas and amount thereof.**

- (1) The provisions of this Part shall apply to houses which are to be brought up to the standard specified by a local authority under section 90 or 91 and which are situated in housing action areas for improvement or for demolition and improvement within the meaning of Part IV, but subject to the modifications contained in subsections (6) and (7) below.
- (2)-(5)...
- (6) Sections 238(1), in so far as it relates to refusal to approve an application, and 244 shall not apply, but a local authority shall make an improvement grant to an owner of a house situated in a housing action area as aforesaid in respect of such improvement works as may, in their opinion, be required for the house to be brought up to the standard specified by the local authority in a resolution passed under section 90 or 91 in relation to that area:

Provided that an improvement grant shall not be made in pursuance of this subsection in respect of a house which is comprised in a building containing more than one house, if the local authority are of the opinion that the improvement works to be carried out on that house would prevent any other house in that building from being brought up to the standard specified as aforesaid.

(7) In section 248

(a) for subsections (1) and (2) there shall be substituted the following subsections

"(1) Subject to the following provisions of this section, where an application for a repairs grant is duly made, a local authority shall approve the application in so far as it relates to the execution of works to houses to which the provisions of this Part are applied by section 250(1).

(2) A local authority shall not approve an application under this section unless on completion of the works the house will attain the standard specified in the resolution passed under section 90 or 91",

(b)-(c) ...

*Improvement of energy efficiency and safety*

**250A Encouragement of works to improve energy efficiency and safety**

(1) This section applies where, in relation to a house—

(a) an application for an improvement grant or a repairs grant has been made,

(b) on completion of the work to which the application relates, the house will—

(i) meet the tolerable standard, and

(ii) be in a good state of repair (disregarding the state of internal decorative repair) having regard to the age, character and locality of the house, and

(c) the works specified in subsection (2), or any of them, are required for the improvement of the house.

(2) Those works are—

(a) in any case—

(i) replacement of unsafe electrical wiring,

(ii) installation of mains-powered smoke detectors,

(iii) provision of adequate thermal insulation,

(b) in the case of a building in common ownership, installation of—

(i) a fire-retardant door at the entry to each house,

(ii) a main door entry-phone system.

(3) Where this section applies, the local authority may invite the applicant to make an improvement grant application (or, as the case may be, a further application) in respect of the works specified in subsection (2).

*Agricultural tenants, etc.***256 Application of this Part to agricultural tenants, etc.**

- (1) For the purposes of the provisions of this Part, a tenant, crofter, landholder or statutory small tenant shall be deemed to be the owner of any house, building or other land on his farm, croft or holding if in respect of the execution thereon of improvement works he would, on the termination of his tenancy, be entitled to compensation under the Agricultural Holdings (Scotland) Act 1991 or the Crofters (Scotland) Act 1993 (c.44) or the Small Landholders (Scotland) Acts, 1886 to 1931 (as the case may be) as for an improvement.
- (2) Where by virtue of subsection (1) an improvement grant or a repairs grant is made to a crofter, a landholder or a statutory small tenant in respect of a house on his croft or holding, the local authority shall forthwith intimate to the landlord of the croft or holding that an improvement grant or a repairs grant has been so made, and shall inform him of the amount thereof.
- (3) If at any time within the period during which conditions are required by section 246 to be observed with respect to a house provided on a farm, croft or holding otherwise than by the landlord thereof, compensation becomes payable in respect of the house, or of any improvement works executed in relation thereto, as for an improvement under the Agricultural Holdings (Scotland) Act 1991 or the Crofters (Scotland) Act 1993 (c.44) or the Small Landholders (Scotland) Acts 1886 to 1931 (as the case may be), so much of the value of the house or works as is attributable to the sum paid by way of improvement grant or repairs grant, shall be taken into account in assessing the compensation so payable and shall be deducted therefrom.
- (4) The landlord of a farm, croft or holding on which there is a house with respect to which conditions are for the time being required to be observed by virtue of section 246, shall not at any time within the period during which those conditions are so required to be observed be entitled to obtain any consideration by way of rent or otherwise in respect of so much of the value of the house, or of any improvement works executed in relation thereto, as is attributable to the sum paid by way of improvement grant or repairs grant.

**256A Application of this Part to the Scottish Ministers**

Any power of a local authority to make grants, and any function of a local authority in relation to the making of grants, under this Part is exercisable by the Scottish Ministers as it is by the local authority.

**Annex B: Regulations applying to the amount of grant and eligibility**

**B1: Assessment of Applicant's Contribution**

[SSI 2003 No.461 The Housing Grants \(Assessment of Applicant's Contribution\) \(Scotland\) Regulations 2003](#)

[SSI 2004 No.456 The Housing Grants \(Assessment of Contributions\) \(Scotland\) Amendment Regulations 2004](#)

**B2: Minimum Percentage Grant**

[SSI 2003 No. 462 The Housing Grants \(Minimum Percentage Grant\) \(Scotland\) Regulations 2003](#)

**B3: Council tax valuation band limit**

[SSI 2003 No.314 The Improvement and Repairs Grant \(Prescribed Valuation Band\) \(Scotland\) Order 2003](#)

**B4: Commencement and transitional provisions**

[SSI 2003 No.434 The Housing \(Scotland\) Act 2001 \(Commencement No.7, Transitional Provisions and Savings\) Order 2003](#)

**Annex C: Prescribed forms and notices**

**C1 Improvement Order**

[SSI 2003 No.336 The Form of Improvement Order \(Scotland\) Regulations 2003](#)

**C2 Repair Notice**

[SSI 2003 No.335 The Form of Repair Notice \(Scotland\) Regulations 2003](#)

**C3 Notice of payment and conditions**

[SSI 2003 No.338 The Housing Grants \(Form of Notice of Payment\) \(Scotland\) Regulations 2003](#)

**C4 Notice of cessation of conditions**

[SSI 2003 No.337 The Housing Grants \(Form of Cessation or Partial Cessation of Conditions Notice\) \(Scotland\) Regulations 2003](#)

**C5 Application forms**

[SSI 2003 No.420 The Housing Grants \(Application Forms\) \(Scotland\) Regulations 2003](#)

**Annex D: Ministerial Direction**

## **THE HOUSING (SCOTLAND) ACT 1987 (WAIVER OF RESTRICTION ON IMPROVEMENT AND REPAIRS GRANTS) DIRECTION 2003**

The Scottish Ministers in exercise of the powers conferred on them by sections 240(2)(b) of the Housing (Scotland) Act 1987<sup>(a)</sup>, and of all others powers enabling them in that behalf, hereby make the following direction:—

### **Citation and Commencement and Interpretation**

1.—(1) This direction may be cited as the Housing (Scotland) Act 1987 (Waiver of Restriction on Improvement and Repairs Grants) Direction 2003 and shall come into force on 1st October 2003.

(2) In this direction—

“the Act” means the Housing (Scotland) Act 1987;

“disabled occupant” has the meaning provided in section 236(3) of the Act.

### **Waiver of Restriction on Improvement and Repairs grants for houses less than 10 years old**

2. The provisions of section 240(2) (b) shall not apply in respect of an application for improvement grant or repairs grant for a house provided less than ten years prior to the date of application insofar as the application relates to the following:—

- (a) (i) works relating to the by-passing, relining or replacement of a lead lined tank supplying water to a tap in a kitchen or other tap used for the supply of drinking water to a house;
  - (ii) works relating to the replacement or by-passing of lead piping within the house or the curtilage of a house leading to such a tap; or
  - (iii) a combination of works described in (i) and (ii) above;
- (b) works intending to reduce exposure to radon gas in a house where the annual average level of radon gas in a house exceeds 200 bequerels per cubic metre; or

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<sup>(a)</sup> 1987c.26; section 240 (2) (b) was amended by the Housing (Scotland) Act 2001 (asp10), section 98. Section 248(5) applies section 240 to repairs grant and is amended by the Housing (Scotland) Act 1988 (c.43), Schedule 7, paragraph 14 and Schedule 8, paragraph 6 and the Housing (Scotland) Act 2001 (asp 10), section 103. See section 338 of the Housing (Scotland) Act 1987 for the definition of “prescribed”. The function of the Secretary of State to prescribe by Order was transferred to Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46). The requirement to obtain Treasury consent was removed by section 55 of that Act.

- (c) works to make a house to be occupied by a disabled occupant suitable for that person's accommodation, welfare or employment insofar as that person's disability renders the work necessary.

### **Revocation**

3. The directions by the Secretary of State under section 240 (2) (b) of the Act dated 31<sup>st</sup> March, 22<sup>nd</sup> June and 9<sup>th</sup> December 1992 are hereby revoked.

Richard Grant  
Signed by the authority of the Scottish Ministers  
19 September 2003

**Annex E: Worked Examples**

- E1    Approved Expense**
- E2    Assessment of applicant's contribution – occupiers**
- E3    Assessment of applicant's contribution – non-occupiers**

**AMOUNT OF GRANT - WORKED EXAMPLES**

Please note that the figures used for illustration make no claim to be realistic amounts for the items quoted.

**E1 Approved expense****A Basic.**

Estimate:

a) Installation of boiler and radiators in all rooms	£4000
b) Installation of flame-effect gas fire to living room	£ 800
c) Strip and restore hearth and mantelpiece	£ 600

(a) is eligible work.

(b) may be partially eligible, if radiators do not achieve adequate level of heating in living room, but a cheaper solution could be used. Council agrees to pay £200.

(c) is decorative and not eligible.

Approved expense £4,200

**B Part of costs eligible for minimum percentage**

Estimate

a) Replace lead piping to tank and from tank to kitchen tap, replace lead tank with plastic tank	£5000
b) Remedy defects to foul drainage	£3800

Applicant's income qualifies for 35% grant.

(a) is eligible for minimum percentage grant, (b) is not.

Grant paid:

a) £5000 x 50% = £2500
b) £3800 x 35% = £1330
Total           £3830

If applicant's income had qualified for 65% grant:

$$\begin{aligned} \text{Total cost } &£5000 + £3800 = £8800 \\ &£8800 \times 65\% = £5720 \end{aligned}$$

C Subsequent grant

Same house as (2), 8 years later, under a new owner, the roof needs to be replaced at a cost of £18,000. The council agrees that the full cost is eligible for grant, but identifies the previous grant paid under (2).

The amount of the previous grant is deducted from the maximum approved expense for the current grant, but not where the previous grant was paid at the minimum percentage.

Maximum approved expense	£20,000
The amount of previous approved expense, not paid at minimum percentage,	£1330
New maximum approved expense	£18,670

If the previous grant was paid at 65%:

Maximum approved expense	£20,000
The amount of previous approved expense, not paid at minimum percentage,	£5720
New maximum approved expense	£14,280

The council can apply to Scottish Ministers for agreement to increase the approved expense to meet the full costs of £18,000.

**E2 Assessment of applicant's contribution – owner-occupiers etc.**

Mr & Mrs A – Owner occupiers, both working, one child of school age.

Mr A's earnings, after tax and NI	£21,000
Mr A's pension contributions (subtract half this figure)	£318
Mrs A's earnings, after tax and NI	£18,000
Mrs A's pension contributions, £270 pa	£135
Income from investments / savings	£1400
Child Benefit – N/A	N/A
<b>Total income £40106 – but...</b>	
Mortgage payments £720 per month, of which £50 insurance premiums (remember to multiply by 12!)	£8040
Allowance for child, £47 per week	£2444
<b>Total assessable income</b>	<b>£29,622</b>
Applicant's contribution 88% - grant 12%	

Mr B - Owner-occupier, retired.

State retirement pension	N/A
Occupational pension	£9,500
Income from savings	£800
Expenses paid for driving for a charity	N/A
Mortgage – paid off	
No allowances apply	
<b>Total assessable income</b>	<b>£10,300</b>
Applicant's contribution 42% - grant 58%	

Miss C – Tenant, disabled.

Earnings, after tax and NI (part-time work)	£4000
No occupational pension contributions.	
Income-related benefits/tax credits	N/A
Disability-related benefits/tax credits including DLA	N/A
Regular payment from local charity for disabled people	N/A
Rent payment £300 per month	£3600
Housing Benefit	£3600
Allowance for disability £35 per week	£1820
<b>Total assessable income</b>	<b>£2180</b>
Applicant's contribution 10% - grant 90%	

Mr & Mrs D – Owner occupiers, Mrs D is retired, Mr D and their eldest child, who has just left college, are both registered blind.

Mr D's earnings, after tax and NI	£12000
Mr D pension contributions (subtract half this figure)	£180
Mrs D occupational pension	£3700
Mrs D state retirement pension	N/A
No income from investments	
Mortgage £260 per month	£3122
Disability-related benefits/tax credits including DLA	N/A
Contribution to student support	N/A
Allowance for child 2, £47 per week	£2444
Allowance for child 1, was student for 12 weeks this year, £47x12	£564
Disability allowance for child 1, £42x12 weeks	£504
Allowance for disability, couple rate £50	£2600
<b>Total assessable income</b>	<b>£6376</b>
Applicant's contribution 28% - grant 72%	

Mr E – owner-occupier, mature student.

<b>Mr E – mature student</b>	
Employed earnings after tax and NI – packing mail order goods, weekends, basic salary plus bonuses	£4659
No pension contributions	
Freelance proofreading (self-employed, after tax and NI)	£1500
Voluntary environmental work – paid expenses plus £10 per day, 30 days last year	£300
Lodger pays £220 per month, £2640 per year – taxable income after expenses £910	£910
Income from savings	£600
Student support	N/A
Mortgage payments £280 per month	£3360
<b>Total assessable income</b>	<b>£4609</b>
Applicant's contribution 20% - grant 80%	

**E3 Assessment of applicant's contribution: landlords etc**

The following examples are based on an **approved expense of £10,000**.

**A Increase in value from works is £10,000 or more****A(1) Criteria met:**

- none

Applicable cost (cost of works – increase in value)	£0
Minimum grant (not in categories)	£0
Grant payable	£0

**A(2) Criteria met:**

- improving BTS house

Applicable cost (cost of works – increase in value)	£0
Minimum grant (50% of approved expense)	£5,000
Grant payable	£5,000

**B Increase in value from works is £8,000****B(1) Criteria met:**

- bringing empty property back into use
- part of area refurbishment

Applicable cost (cost of works – increase in value)	£2,000
Grant on criteria (20% + 2x20% = 60% of applicable cost)	£1,200
Minimum grant (not in categories)	£0
Grant payable	£1,200

**B(2) Criteria met:**

- improving BTS house

Applicable cost (cost of works – increase in value)	£2,000
Grant on criteria (20% + 1x20% = 40% of applicable cost)	£800
Minimum grant (50% of approved expense)	£5,000
Grant payable	£5,000

**C Increase in value from works is £4,000****Criteria met:**

- part of area refurbishment
- improves BTS house
- includes works to common parts
- improves accessibility for disabled people

Applicable cost (cost of works – increase in value)	£6,000
Grant on criteria (20% + 4x20% = 100% of applicable cost)	£6,000
Minimum grant (50% of approved expense)	£5,000
Grant payable	£6,000

**D Increase in value from works is £5,000\*****Criteria met:**

- brings empty property into use
- part of Community Trust scheme\*
- improves BTS house
- improves accessibility for disabled people

Applicable cost (increase in value disregarded)*	£10,000
Grant on criteria (20% + 4x20% = 100% of applicable cost)	£10,000
Minimum grant (50% of approved expense)	£5,000
Grant payable	£10,000

\* The calculation is on the full approved expense irrespective of any increase in value, since this a charitable or non-profit housing provider.

**E No increase in value from works****Criteria met:**

- part of a refurbishment scheme
- includes works to common parts
- improves accessibility for disabled people

Applicable cost (cost of works – increase in value)	£10,000
Grant on criteria 20% + 3x20% = 80% of applicable cost)	£8,000
Minimum grant (50% of approved expense)	£5,000
Grant payable	£8,000