



HOUSE IMPROVEMENT AND ENERGY CONSERVATION SCHEME 2013

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Statutory Document No. 0053/13

*Housing (Miscellaneous Provisions) Act 2011*

HOUSE IMPROVEMENT AND ENERGY CONSERVATION SCHEME 2013

Approved by Tynwald: 19 March 2013
Coming into Operation: 1 April 2013

The Department of Social Care makes the following Scheme under section 5(1) of the Housing (Miscellaneous Provisions) Act 2011 with the concurrence of the Treasury.

PART 1 - INTRODUCTION

1 Title

This Scheme is the House Improvement and Energy Conservation Scheme 2013.

2 Commencement

- (1) If approved by Tynwald, this Scheme comes into operation on 1 April 2013.
- (2) This Scheme ceases to have effect on 1 April 2015.

3 Interpretation

- (1) In this Scheme —
 - “**approved contractor**” means a contractor on the Isle of Man Employers Federation’s List of Approved Contractors or a craftsman on the Department of Economic Development Register of Craftsmen;
 - “**authorised**” means authorised by the Department;
 - “**building regulations**” means the Building Regulations 2007¹;
 - “**the Department**” means the Department of Social Care;
 - “**the EHOs**” means the Environmental Health Officers of the Department of Environment, Food and Agriculture;

¹ SD 153/07

"eligible applicant" means a person applying for assistance under this Scheme who is eligible by virtue of paragraph 5;

"eligible premises" has the meaning given in paragraph 6;

"flat" means a separate set of domestic premises, whether or not on the same floor—

- (a) forming part of a building; and
- (b) either the whole or a material part of which lies above or below some other part of the building;

"grounds of special need" means such grounds preventing the applicants from undertaking the relevant works as the Department may in any particular case accept;

"partner" means a person living with the applicant as if the person were the applicant's spouse or civil partner;

"permitted works" means works set out in the Schedule, excluding decoration and works of ordinary repair;

"relevant interest" has the meaning given in paragraph 7(2);

"residential premises" means any building used wholly or mainly as a domestic dwelling other than a flat;

"surveyor" means a fellow or professional associate of the Royal Institution of Chartered Surveyors appearing to have ability in, and experience of undertaking, structural surveys of buildings in the Island.

- (2) In computing the amount allowable under this Scheme, disregard the amount of value added tax chargeable on any expenditure or fee.

4 Purpose of Scheme

- (1) The purpose of this Scheme is to provide grants under this Scheme to eligible applicants to undertake authorised works up to the maximum set out in respect of the works of that class in the Schedule.
- (2) No grant may be made under this Scheme for work —
 - (a) that is or has been funded by money provided under any other Scheme operating in the Island (whether or not under any statutory provision); or
 - (b) that involves repeating work already done with the benefit of a grant under the Scheme, or a previous Scheme having the same purpose,

unless it appears to the Department that having regard to all relevant factors (including the effluxion of time) it is reasonable for funding to be provided under this Scheme in respect of the work.

- (3) The approval or payment of a grant under this Scheme is subject to the Department's annual budgetary limitations.

- (4) Subject to sub-paragraph (5), in a case of special need the Department may pay –
 - (a) a sum higher than that specified in the Schedule in respect of authorised works;
 - (b) a greater percentage of the costs of authorised works than is specified in the Schedule for authorised works of that class.
- (5) The maximum amount of grant payable under this scheme is –
 - (a) £35,000 in the case of works falling within paragraph 8 (premises unfit for human habitation or in serious disrepair); and
 - (b) £25,000 in any other case.
- (6) In determining the total amount payable under this scheme there may be allowed, subject to the limits in sub-paragraph (5)–
 - (a) in the case of works falling within paragraph 8, 100% of the professional fees preparatory or incidental to those works; and
 - (b) in any other case, 50% the professional fees preparatory or incidental to the works.

PART 2 - ELIGIBILITY

5 Eligible Applicants

- (1) An applicant is eligible for assistance under this scheme only if –
 - (a) the applicant's taxable income, together with that of the applicant's spouse, civil partner, or partner, does not exceed £15,000 per annum, or such other amount as the Department may determine, for the income tax year preceding that in which the application is submitted; and
 - (b) neither the applicant nor the applicant's spouse, civil partner, or partner is in arrears in respect of Income Tax and National Insurance Contributions.
- (2) In sub-paragraph (1) –

"income tax year" has the meaning given in section 120 of the Income Tax Act 1970;

"taxable income" means the income, after deducting income tax allowances other than those in respect of covenanted payments, which the Assessor of Income Tax confirms is subject to income tax.

6 Eligible Premises

- (1) This Scheme applies –

- (a) for the purpose of works within Schedule 1 to residential premises erected on or before 31st December 1959;
- (b) for the purpose of works within paragraph 8, or Schedule 2 (other than paragraph 2 of that Schedule) to residential premises of any age; and
- (c) for the purpose of works within paragraph 2 of Schedule 2 to residential premises or flats of any age.

This is subject to the following qualification.

- (2) Despite sub-paragraph (1) this Scheme does not apply to—
 - (a) premises owned by a Department, local authority, Statutory Board, housing association or housing trust;
 - (b) housing accommodation specially designed or adapted for occupation by elderly persons and which is owned by a charity or a body corporate; or
 - (c) a residential care home, or a nursing home registered under section 2 of the *Nursing and Residential Homes Act 1988*².
- (3) Premises to which this Scheme applies are referred to as “**eligible premises**”.
- (4) In sub-paragraph (2)—

“**housing association**” has the meaning given by section 11 of the *Housing (Miscellaneous Provisions) Act 1976*³;

“**housing trust**” means a corporation or body of persons that is required by its governing instrument—

- (a) to use the whole of its funds, including any surplus which may arise from its operations, for the purpose of providing housing accommodation; or
- (b) to devote the whole, or substantially the whole, of its funds to charitable purposes and in fact uses the whole, or substantially the whole, of its funds for the purpose of providing housing accommodation.

7 **Conditions of eligibility: residence**

- (1) The applicant must satisfy the Department that —
 - (a) the eligible premises are, or within six months of the making of the application, or such longer period as the Department may in the circumstances of the particular case allow, will become, the applicant’s place of ordinary residence;

² 1988 c.9

³ 1976 c.1

- (b) the applicant is resident in the Island for the purposes of income tax; and
 - (c) the applicant is the holder of a relevant interest in the premises or has entered into a contractual obligation to acquire such an interest.
- (2) For the purposes of this Scheme a person holds a “**relevant interest**” in the premises if the person –
- (a) is the owner of the freehold of the premises; or
 - (b) is the lessee under a lease with at least 10 years unexpired under the term at the time of application.

PART 3 – ASSISTANCE BY WAY OF GRANT

8 Grant assistance: premises unfit for human habitation

- (1) In the case of eligible premises that are unfit for human habitation or in serious disrepair the Department may give an eligible applicant financial assistance by way of a grant in accordance with paragraph 4(5)(a) and (6)(a) but need not do so if it appears that, disregarding the grant monies, the applicant does not have sufficient resources available to meet the costs involved in bringing the eligible premises to the required standard.
- (2) Whether premises are unfit for human habitation or in serious disrepair is to be determined by the EHOs.
- (3) In a case falling within this paragraph the EHOs may impose such conditions in respect of the works as appear to them to be necessary or expedient to secure proper use of the grant monies.

9 Grant assistance: other cases

- (1) The Department may give an eligible applicant financial assistance by way of a grant in accordance with this Scheme towards the cost of authorised works, carried out by approved contractors on eligible premises, excluding decoration and works of ordinary repair.
- (2) In a case falling within paragraph 7(1)(c) the Department must not pay the grant to the applicant until the applicant has acquired the relevant interest in the eligible premises.
- (3) Assistance must not be given in respect of works costing less than £1,000, except in the case of works falling within paragraph 3 or 4 of Schedule 2.
- (4) If it appears to the Department that it is desirable to replace the external doors of domestic premises in order to improve the draught-proofing of the premises, the Department may pay a grant of £250 towards the cost of doors with double glazed units to current standards of thermal efficiency in accordance with the building regulations.

- (5) If the total grant assistance provided by this Department exceeds £5,000, the Department must, when making the grant, impose the condition that the relevant interest is charged to the Department, for a period of no less than 10 years from the date the grant was awarded to secure repayment of the grant, or such part of it as the Department determines.
- (6) A grant is repayable in the event of the property being disposed of within 10 years, the amount being computed on a sliding scale amortising over 10 years with yearly rests, but subject to sub-paragraph (7).
- (7) In the event that a further grant is paid under the Scheme sub-paragraph (6) applies so that —
 - (a) the period of 10 years runs afresh from the date of payment of the further grant; and
 - (b) the amount to be recovered is computed as if the whole of the further grant and the amortised balance of the earlier grant were a single sum paid on the date of the further grant.

PART 4 - APPLICATIONS

10 Applications

- (1) An application for a grant must be made in writing in a form approved by the Department.
- (2) The applicant must forward to the Department the completed application form together with all such documents, plans and specifications as the Department may require to be submitted including the following —
 - (a) subject to paragraph (b) and (d) below, at least two competitive estimates from approved contractors;
 - (b) for works within paragraph 1 of Schedule 2, a certificate by an approved contractor that the whole or a substantial part of the electrical system is unsafe or that there is no permanent supply, and one estimate from an approved contractor.
 - (c) for works falling within paragraph 8 a surveyor's report which states that the property is unfit for human habitation or in serious disrepair.
 - (d) for works within paragraph 4 of Schedule 2, one estimate for materials only.
- (3) The applicant and, insofar as necessary the applicant's spouse, civil partner, or partner, must give the Department —
 - (a) copies of all relevant approvals under planning legislation or the Building Regulations required in respect of the proposed works;

- (b) such other information as it may reasonably require; and
 - (c) authority to approach the Treasury for verification of the matters in paragraph 5.
- (4) An application is properly made only when all the information required by the Department and the authority mentioned in sub-paragraph (3)(c) has been provided.

11 Consideration of Applications

- (1) The Department must consider every application that has been properly made and must inform the applicant of the result in writing.
- (2) Any grant is subject to any terms or conditions which the Department may in any particular case decide to impose (whether or not relating to the works in respect of which the application is made).
- (3) The approval of the Department of an application is conditional upon the correctness of the information supplied in the application.
- (4) The Department may refuse to make any further payment, and may recover any payment that it has made, if it finds that any of the information in an application is false.
- (5) Recovery under this paragraph is in addition to any other action the Department may take.
- (6) No monies are payable in respect of works done before the date of approval.

PART 5 – PAYMENT OF GRANTS

12 Provisions relating to the payment of grants

- (1) Before authorising the payment of any grant the applicant must submit to the Department such documents as it considers necessary.
- (2) If it approves the application, the Department must send the applicant an authorisation notice stating that the work may commence.
- (3) Subject to sub-paragraph (4), all authorised works must be completed within 6 months from the date of the authorisation notice or such further period as the Department may in any particular case allow.
- (4) All authorised works under paragraph 8 must be completed within 12 months from the date of the authorisation notice or such further period as the Department may in any particular case allow.
- (5) The Department may, at its own discretion, carry out any necessary inspections of the property and of any work in progress or completed under this Scheme and the applicant must permit access to the eligible premises for this purpose.

- (6) The Department may withhold the grant in any case in which it considers the work has not been carried out satisfactorily.
- (7) The Department may waive any one or more of the requirements contained in this Scheme in any case where it considers it appropriate.
- (8) The authorisation or payment of a grant under this Scheme does not indicate compliance with any other statutory provision.

MADE

CHRIS ROBERTSHAW
Minister for Social Care

SCHEDULE 1

[Paragraph 6(1)(a)]

BUILDINGS CONSTRUCTED BEFORE 1960

	Works	Conditions of grant	Allowable percentage
1	Provision of adequate drainage to the buildings.	Adequacy to be determined by a surveyor having regard to the Building Regulations	50%
2	Replacement of windows with double glazed units in UPVC, aluminium, hardwood, or treated soft wood to current standards of thermal efficiency in accordance with the Building Regulations.	Frames are in disrepair or replacement necessary to correct inadequate natural lighting or ventilation.	50%
3	Works of a substantial nature to a roof.	Works going beyond normal maintenance required to render roof safe and weatherproof.	50%
4	Re-rendering of external walls.	Works going beyond normal maintenance required to render walls weatherproof.	50%
5	The abatement of rising damp.	Subject to assessment by the EHOs.	50%
6	The treatment of wet or dry rot	Subject to assessment by the EHOs.	50%

SCHEDULE 2

[Paragraph 6(1)(b)]

BUILDINGS OF ANY AGE

	Works	Conditions of grant	Allowable percentage	Maximum grant
1	The installation or extension of supplies of light and power	Existing installation certified as unsafe by an approved electrical contractor: works must include provision of at least 1 mains powered smoke detector satisfying British Standard 5446	50%	
2	Installation of gas or oil fired central heating system for the first time.	1. Boiler must be SEDBUK rated A for gas, or A or B for oil. 2. Installation must have electronic controls and thermostatic radiator valves and include roof space insulation and lagging upgrade, where necessary.	50%	
3	Installation of authorised cavity wall insulation	Installation to be by an approved contractor	50%	£500
4	(a) Loft insulation (b) Associated works in connection with insulation works	(a) Provision in the roof space of an authorised material which will, when provided, give for the relevant structure, a U-value of not less than 0.25W/m ² k. (b) If there is no means of access to any roof space for the purpose of carrying out the insulation works,	75%	£250

		the provision of sufficient means of access for such purpose.		
	(c) Insulation of any hot water tank or cylinder which is not insulated to the recommended level	(c) Insulation to be effected by means of a jacket conforming to British Standard 5615:1985, or, if there is insufficient space for such a jacket of such other means of insulation as may be approved.		
	(d) Insulation in any roof space of any water tank and any water supply pipes			
	(e) Draught-proofing of windows and doors			
5	Provision of an adequate and potable water supply which may include connection to a mains water supply.	Subject to assessment by the Isle of Man Water Authority as to suitability of existing supply.	50%	
6	The replacement of a plumbing system including connection to the mains.	The water pipes, cold water storage tank or both are made of lead.	50%	

In the table above —

"**relevant structure**" means the roof over the roof space and the ceiling below it and the material provided in the roof space;

"**roof space**" means the space between the roof of a dwelling and the ceiling of any room which is used or available for use for the purpose of living accommodation and which is not wholly separated from the roof by any other room;

"**SEDBUK rating**" means the rating of a boiler according to the Seasonal Efficiency of Domestic Boilers in the United Kingdom scale;

"**U-value**" means the thermal resistance of the insulation material used.

*EXPLANATORY NOTE**(This note is not part of the Scheme)*

This Scheme enables the Department of Social Care to make grants towards works of improvement and increased energy efficiency in residential properties.

Certain works of repair are only applicable to houses built before 1960 although works affecting health and safety, and energy efficiency are applicable to housing of all ages.

Most grants can be made up to 50% of approved works. But those for certain works are based on a fixed amount for each item. Grants for properties formally determined to be unfit for human habitation or in serious disrepair are awarded up to 100% of costs (including necessary survey fees).

Eligibility for works will be based on an assessment of income.

The total grant or grants approved in respect of any property cannot exceed £25,000 except in the case of properties formally determined to be unfit for human habitation or in serious disrepair where the maximum is £35,000.

Value added tax payable on the cost of materials or on fees is disregarded in computing the amount of any grant.

The Scheme specifies in its Schedules the types of works that can be approved.