The Home Improvement Trust

The Home Improvement Trust (HIT) is a not-for-profit organisation set up in 1997 with the support of the Department of the Environment, now the Department of Communities and Local Government. HIT's aim is to enable older and disabled homeowners to live safely and independently in their own home, helping to prevent poor health and reducing the need for residential care.

HIT has a board of directors with representation from the major national charities for older people, local councils, housing associations and city financial and legal expertise. It works with local councils and home improvement agencies across England and Wales to provide practical support and access cost efficient funding.

Why do we need The Home Improvement Trust?

England and Wales have some of the highest house prices in the world but many older and disabled homeowners have a real need to repair, improve or adapt their living space.

Sometimes this is because they have lived in a property for many years, and it needs updating. (HIT research has shown that 56% of pensioner couples have lived in their present home for between 31 and 50 years). Or alternatively ill-health and disability can mean life would be much easier if certain adaptations are made such as the installation of a stair-lift or a downstairs bathroom.

However there are often two barriers -- available cash, even if the homeowner has a valuable property asset, but also the difficulty of finding reliable tradespeople to do the job.

How does Houseproud work?

The Houseproud service can range from giving practical help and advice on repairs, improvements and adaptations, sourcing of reliable tradespeople and checking of work on completion through to providing information on all funding options, including on no risk equity release loans.

The scheme is run in partnership with the Home Improvement Trust and local councils -- with 107 local authorities now participating across England and Wales. In London it is run in partnership with the Greater London Authority. Funding in London is being provided by the Government Office for London.

The service is delivered locally with case workers (usually from the local council or home improvement agency) providing a single and consistent point of contact for clients.

If equity release is deemed to be a suitable option HIT acts as the impartial intermediary and assists with the provision of detailed Key Facts Illustrations of equity release options in-line with the requirements of the Financial Services Authority; arranges the property valuation; liaises with the lending Building Society or Bank; and ensures that all of the centralised legal processes are carried out satisfactorily. Loans are arranged via HIT using regulated lenders who will provide a guaranteed no repossession clause, and are secured on the equity of the property.

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Benefits for the homeowner
- Peace of mind that the work can be checked by a local council or local council backed home improvement agency
- Information about all funding options available
- Reliable tradespeople used to carry out the work
- Practical advice on the repairs, improvements and adaptations
- If equity funding is a possible option - the free services of an Independent Financial Adviser
- A guarantee of no repossession, whilst the original borrower/s remain in occupation.
- Comfort, security and independence to continue to live in their own home rather than have to move into residential care

Benefits for the local authority
- Helps local authorities meet the Decent Homes Standard targets
- Achieves home improvement for the area
- Enables occupiers to stay in their homes for longer thereby reducing potential cost for residential care homes
- A government initiative, tackled in a proactive manner.
- Helps to lever in private funding
- HIT is a proven partner in delivering private sector housing renewal strategies

HOUSEPROUD – USEFUL FACTS & FIGURES

- In 2001, in England, some 2.4 million 'older' households with at least one person aged 60 years or more lived in non-decent homes (comprising 36% of all households in non-decent homes). Of these, 734,000 were aged 75-84 years and a further 275,000 were aged 85 years or more. Some 29% of older households required work to improve the thermal comfort of their homes compared with 24% of other households. (Source: English House Condition Survey 2001, Office of the Deputy Prime Minister, 2003, chapter 4)

- In the winter of 2002/3 there were 21,800 more deaths among those aged 65 and over than in the non-winter period. (Excess winter mortality rates – Office of National Statistics)

- 56% of pensioner couples HIT has helped over the past seven years have lived in their present home for between 31 and 50 years.

- Among clients helped by HIT in the last seven years 33% of couples aged between 71 and 90 had no savings whatsoever. 72% of couples aged 71 to 90 had savings of less than £1,000. 84% of single or widowed people aged between 60 and 90 years had savings of less than £2,000.

- Where the head of the household is aged 65 and over, a higher proportion of money is spent on housing, fuel and food (28% of expenditure) than in other households (20%). (Source: Family spending: a report on the 2001-2002 Expenditure and Food Survey, National Statistics © Crown Copyright 2003)

- The most severe deprivation is experienced by pensioners living alone who are mainly dependent on state pensions: 42.4% of their expenditure goes on housing, fuel and food. (Source: Ibid, table 4.2)

- In London it is estimated there are 330,000 owner occupier households which are pensioner only households. Around 70,000 of these owner occupiers have equity of more than £270,000 in their property, and it is thought that London pensioners account for around £56 billion available equity. (2002 GLA London Household survey)