A GUIDE TO PAYING FOR BUILDING REPAIRS AND MAINTENANCE

USEFUL INFORMATION FOR HOME OWNERS
This leaflet provides general financial information and does not constitute regulated financial advice.

Your home is probably your biggest asset, and it makes sense to protect it by investing in keeping it in a good state of repair. Repairs and maintenance can be costly and you should consider your options carefully before organising any works. When deciding upon the best way to pay for repairs, always shop around to ensure you get the best deal. For secured loans, mortgages and equity release schemes you should always obtain independent financial advice. The cost of Independent Financial Advice can vary therefore it is important to confirm what you will be charged for this service prior to arranging a consultation.

Insurance
If you have insurance cover, you should check with your insurance company as to whether some of the repairs required are covered under any policy you have. The kind of damage usually covered are those caused by storms, floods, falling trees, subsidence or landslides, break-ins or vandalism, water leaks, accidental breakages or damage to fittings. You can’t claim for routine repairs and if the problem is a result of neglect your claim could be rejected.

Savings and Investments
If you have savings it may be cheaper or more cost effective to use them to pay for repairs and improvements rather than taking out a loan. Your local Citizens Advice Bureau will be able to offer advice on money management.

Spreading the Cost
Sometimes the work can be done in stages so you can carry out each part when you can afford it. A builder, surveyor, or if you live in a block of flats, property manager will be able to advise you if this is possible.

Setting Up a Maintenance Fund
You could consider setting up a savings account and putting money away regularly to pay for repairs and maintenance to your home. Some people in shared buildings set up joint maintenance funds for common repairs.

Each owner pays into the fund and if they sell the new owner takes responsibility for payment.

Independent Financial Advice
Independeent financial advice can help you make sense of the many different home loans available today.

Independent Financial Advisor’s (IFA) have access to the latest mortgages (including many that aren’t available through high street lenders) and can provide invaluable advice, pointing you toward the most appropriate deal and highlighting any early redemption charges and added charges.

Equity Release
There are a number of schemes available to release any equity you may have tied up in your home. Home income or equity release plans are specially designed for people who find themselves with a lot of money tied up in their property but with little income. Many schemes are available, and you should seek independent financial advice before entering into an agreement. The schemes are aimed at helping elderly owners remain in their home.

As with all types of loans you need to ensure that you can afford the repayments and be aware that your home could be at risk if you default on repayments.

Extending Your Mortgage
This option is more appropriate for people who still have money to pay off on their mortgage. This option is usually only available to people in work and the property must be worth more than the current value of the mortgage.

Before extending your mortgage you should contact your mortgage lender to discuss options available to you and consider the following:

- check your budget and work out what you can afford to spend each month on your mortgage repayments
- find out how much you can borrow
- Check if there will be any changes to interest rates or fees to pay for increasing your mortgage.

Changing Your Mortgage
You may get a better deal by re-mortgaging, either with your current lender or someone else. You should shop around for the best deal, but remember to include the ‘hidden’ costs such as:

- tie-in periods - if you decide to leave the lender during the period of your mortgage you may have to pay a penalty
- arrangement fees which will vary between lenders.
- insurance - you may have to take out insurance with your new lender at a higher cost than previously paid.
- Survey fees - any new lender will require to obtain a valuation of your property which will incur a one off fee
- legal costs - some lenders will offer to cover this cost but this may be traded off by higher interest rates.
- Remember you will still be responsible for paying for ongoing building repairs and maintenance.

Bank and Building Society Loans

- **Home Improvement Loan** - Most mortgage lenders offer home improvement loans to their customers. They allow you to take out a loan and add it on to your mortgage, which usually means you get a much better rate of interest than if you take out an ordinary personal loan. Contact your mortgage lender for details of any scheme they offer.

- **Secured Loan** - Money is secured on your property or another asset. Interest rates are usually lower for this type of loan than for an unsecured loan.
• **Personal loan** - Money is not secured, and interest rates tend to be higher. They are therefore more suitable if only a small amount of money is required.

• **Overdraft** - A bank overdraft can be a relatively cheap way of obtaining finance if you just need to spread the cost for a few months.

### Income Maximisation

You may be entitled to benefits that could increase your income which would help you pay for housing repairs. You can contact North Lanarkshire Council Welfare Rights Services to request a free Benefits Check (see further information section for phone numbers).

### Scottish Welfare Fund

The Scottish Welfare Fund replaced the Social Fund in April 2013. It is a discretionary scheme that provides two types of grant: Community Care Grants and Crisis Grants.

• **Community Care Grants**
  
  Community Care Grants may be issued to people who need support to live independently in the community, and will mostly provide items such as furniture or household appliances.

• **Crisis Grants**
  
  Crisis Grants may be provided for basic short term living expenses in the event of a disaster such as fire or flood or emergencies like losing money or having to travel to visit a sick child in hospital.

To apply for a Crisis Grant or a Community Care Grant you must be 16 or older and on a low income.

Please contact North Lanarkshire Council on 0300 555 0405 for further information.

### Income Support

If you have a home loan that has been used to carry out essential repairs on your property, you might be able to get help with the interest from Income Support or Jobseeker’s Allowance. Contact your local benefit office for more information.

### Benevolent Societies

It may be worth contacting a benevolent society for financial assistance to help with the cost of small repairs or adaptations.

A benevolent society is an organisation such as a charity or a trust which has been set up to help certain groups of people in need.

There are many different benevolent societies and they are often associated with a trade or profession, armed services, the area where you live, religion or a particular illness or disability.

### Credit Unions

Credit Unions are non-profit making savings and loan co-operatives, and generally charge lower rates for consumer loans.

In order to be able to apply for a Credit Union loan you must be a member. Details of how to contact your local credit union can be found at the end of this leaflet.

Please contact your local credit union for further information.

You should consult an Independent Financial Advisor (IFA) before making any important decisions about your finances. The cost of Independent Financial Advice can vary and can be paid by fees or a commission basis, therefore it is important to confirm the fee prior to arranging a consultation.

Provided you deal with a Financial Conduct Authority (FCA) authorised firm or the agent of an authorised firm, you will have access to complaints and compensation arrangements should you require this.

### Independent financial advisors

You can contact an Independent Financial Advisor (IFA) before making any important decisions about your finances. The cost of Independent Financial Advice can vary and can be paid by fees or a commission basis, therefore it is important to confirm the fee prior to arranging a consultation.

- **Unbiased.co.uk** is an online directory of FCA registered Independent Financial Advisers, mortgage advisers and solicitors. [www.unbiased.co.uk](http://www.unbiased.co.uk)

### The Financial Services Register

is the Financial Conduct Authority (FCA) online directory of registered financial services firms. 

**Tel No:** 0800 111 6768  
[www.fca.org.uk](http://www.fca.org.uk)

Please note:

North Lanarkshire Council can not recommend an independent financial advisor and is not affiliated to any independent organisation or website mentioned on this factsheet.
further information

• North Lanarkshire Council
Your Money Information Line can offer information on our Money Advice Service, one to one debt advice, a range of self help materials and details of other organisations and websites that you might find helpful.
Tel: 01698 403170
www.northlanarkshire.gov.uk/yourmoney

• North Lanarkshire Council
Welfare Rights Services contact your local Social Work Reception Services to request a confidential benefits check or income maximisation.
Airdrie - 01236 757000
Bellshill - 01698 346666
Coatbridge - 01236 622100
Cumbernauld - 01236 638700
Motherwell - 01698 332100
Wishaw - 01698 348200

• North Lanarkshire Council
Scottish Welfare Fund can provide further information on applying for a Crisis Grant or Community Care Grant.
Tel: 0300 555 0405
www.northlanarkshire.gov.uk

• Money Advice Scotland
provides free, independent, impartial and confidential debt advice.
Tel: 0141 572 0237
www.moneyadvicescotland.org.uk

• National Debtline provides free confidential and independent advice on how to deal with debt problems.
Tel: 0808 808 4000
www.nationaldebtline.org

• Turn2us is a charitable organisation offering help and advice on benefits and grants.
Tel: 0808 802 2000
www.turn2us.org.uk

• Age UK provide advice for older residents and produce factsheets on funding home repairs, improvements and equity release.
The website includes a benefits calculator that helps people check they are receiving all means tested benefits they are entitled to.
Tel: 0800 169 6565
www.ageuk.org.uk

• Direct Gov provides easy access to government information and public services, including borrowing money, applying for benefits and managing debt.
www.direct.gov.uk

• Citizens Advice Scotland provides information and advice on a range of consumer topics and an online directory to find your local bureau.
Tel: 03454 04 05 06
www.citizensadvice.org.uk/scotland

• Under One Roof provides impartial advice on repairs and maintenance for flat owners in Scotland.
Email: info@underoneroof.scot
www.underoneroof.scot

Credit Unions
Find a local credit union:
• Association of British Credit Unions Ltd
Tel: 0161 832 3694
www.abcul.org/about/abcul-credit-unions

• Scottish League of Credit Unions
Tel: 0141 774 5020
www.scottishcu.org
This document can be made available in a range of languages and formats, including large print, braille, audio, electronic and accessible formats.

To make a request, please contact Corporate Communications on 01698 302527 or email: corporatecommunications@northlan.gov.uk

'S urrainn dhuinn an sgriobhainn seo a chur ann an diofar chànanan agus chruthan, a’ gabhail a-steach clò mòr, braille, cruth claisneachd agus cruthan dealanach agus ruigsinneach.

Gus iarraidh a dhèanamh, cuir fios gu Conaltradh Corporra air 01698 302527 no cuir fios gu: corporatecommunications@northlan.gov.uk

本文档可以多种语言和格式提供，包括大号字体、盲文、音频、电子和可访问格式。

如欲提出请求，请致电01698 302527或发送电子邮件至: corporatecommunications@northlan.gov.uk与企业传播部门（Corporate Communications）联系。

Ten dokument jest dostępny w różnych językach i formatach, w tym w formacie elektronicznym, dużą czcionką, w alfabecie Braille’a, w wersji audio i przystępnych formatach.

W celu złożenia zamówienia prosimy skontaktować się z Wydziałem Komunikacji Zewnętrznej telefonicznie na numer 01698 302527 lub na adres e-mail: corporatecommunications@northlan.gov.uk

Produced by

NORTH LANARKSHIRE COUNCIL
Enterprise and Communities
Private Sector Solutions
t. 01698 274179
e. privatesector@northlan.gov.uk
w. northlanarkshire.gov.uk/schemeofassistance

NORTHLANARKSHIRE.GOV.UK