



Our Reference:

BY EMAIL ONLY

27 May 2016

Dear

**Request for Information**

Thank you for your email dated 23 April 2016 requesting information on the Help to Buy scheme. For ease we have answered each of your questions in turn, below:

- 1. As at today's date, how many (if any) requests have been made to the HCA and/or its appointed representatives for the following permissions in relation to properties subject to the Scheme: (a) permission for additional lending under an alternative mortgage, and (b) permission for alteration to properties?***

The Help to Buy: equity loan programme in England launched in April 2013 to help applicants into home ownership with support of a HCA equity loan secured as a second charge mortgage behind that of the main mortgage lender. The HCA currently employs an agent to undertake post sales administration of its mortgages including dealing with homeowner requests.

Under the terms of the Help to Buy: equity loan scheme no additional borrowing is available on the HCA loan. Additional borrowing from the main mortgage lender, other than for full redemption of the HCA loan, is subject to the approval of the HCA via its agent. Consent for additional borrowing is only considered for:

- Additional borrowing to fund a partial redemption of the Help to Buy Loan. The level of additional borrowing is restricted to the amount required for the redemption.
- Additional borrowing to fund home improvements. These are only permitted in exceptional circumstances and only if there is sufficient equity in the property (limited to 75% of the increase in value in the property owned outright)

**2. If the answer to the above is more than zero, how many of such requests have been approved (broken down between categories (a) and (b))?**

- a) There are no statistics recorded for the number of requests for approval of additional borrowing from a new lender for purposes of partial redemption.
- b) To date our agent has recorded 11 requests for home improvements from owners who purchased with Help to Buy: equity loan. Of these 8 have been approved, 1 was declined and 1 is pending further information from the customer.

**3. What policies and procedures, if any, does the HCA have in place (or has the HCA had in place) in relation to responding to the type of requests set out in paragraph 1 above? If such policies and/or procedures do (or did) exist, please provide an electronic copy.**

Further information about the terms of the Help to Buy equity loan scheme - including the Help to Buy Buyers Guide attached - can be found at <https://www.helptobuy.gov.uk/>.

Guidance on the HCA post sales processes and procedures – including the Help to Buy post sales guidance pack attached - can be obtained from our post sale agent at: <https://www.myfirsthome.org.uk/>.

If you have any questions regarding this response or any further queries you can contact us at the following addresses and quote your unique reference number found at the top of this letter:

**Email:** [mail@homesandcommunities.co.uk](mailto:mail@homesandcommunities.co.uk)

**Mail:** Information Access Officer  
Homes and Communities Agency  
Fry Building  
2 Marsham Street  
London  
SW1P 4DF

If you are unhappy with the way Homes and Communities Agency has handled your request you may ask for an internal review. You should contact

Head of Legal Services  
Homes and Communities Agency  
Fry Building  
2 Marsham Street  
London  
SW1P 4DF

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF  
Online: <https://ico.org.uk/concerns/getting/>

Yours sincerely

Naomi McMaster  
Information Access Officer  
Homes and Communities Agency