

Empty Property Grants

Grant and loan eligibility and works covered by scheme

Works that are eligible for grants or loans

Works to put a dwelling or building into reasonable repair and to make it suitable for occupation are eligible for assistance.

This includes virtually all types of repair such as

- Essential repairs to the external fabric of the building (Roofs, windows, pointing, guttering, down pipes, drainage above and below ground, damp proofing courses, external decorations, etc)
- Essential internal repairs (re-plastering, rewiring, new or improved central heating and hot water systems, damp prevention etc)

Essential improvements when elements fail the decent homes standard are also eligible such as

- new bathroom,
- new kitchen,

Works to provide additional dwellings by conversion are also eligible, including the following:

- works required by Building Control,
- provision of basic kitchen, bathroom and toilet facilities and supplies of hot and cold water,
- provision of basic kitchen units, cupboards and worktops but not refrigerators and cookers,
- provision of gas, electricity and water,
- Works to provide adequate thermal insulation
- Works to provide central heating.
- Works to provide satisfactory internal arrangements including provision of separate access to flats above a shop.
- Works to provide adequate means of escape from fire and other fire precautions.

Where works are to provide additional dwellings, the grant aided works will be those specified by Building Control. If the property was converted prior to the Building Regulations 1985 and not subsequently altered in accordance with subsequent Building Regulations, the following standard is applied:

- if self-contained flats and on 3 or more floors an automatic fire detection system (to BS5839 Part 1) will be specified with a heat detector in the kitchen and smoke detectors on each landing and hallway
- if self-contained flats and less than 3 floors mains operated smoke alarms with battery backup (to BS 5446 Part 1) will be specified on each landing and hallway.

Where an owner applies for more than one grant in respect of a property that is converted into flats, the repairs to the common parts can be included on the grant of the most appropriate flat or divided between them.

2. Additional works required as a condition of the grant

The following works that **must** be included in the grant or loan package to ensure that the standard is above the Decent Homes standard:

- Loft insulation must be provided or increased to obtain a minimum depth of 250mm.
- All new gas boilers for central heating must be 'A' rated under SEDBUK (Seasonal Efficiency of Domestic Boilers in the UK). This is a new method for calculating the seasonal efficiency of central heating boilers, developed and agreed with boiler manufacturers. Further information is available at <http://www.sedbuk.com/>
- All central heating systems must be fitted with a programmer and TRVs.
- Where cavity walls exist they must be insulated
- All permanent light fittings must have low energy bulbs
- Where windows need replacement, the new windows to be of wooden construction and double glazed.
- When WCs are replaced, a dual volume flush must be provided to the new WC.
- Where a garden exists, a water butt must be provided.
- Smoke alarms must be provided on each floor and then must be wired into the mains. Single point battery operated smoke detectors are not acceptable.
- A carbon monoxide alarm Install a CO alarm that meets the requirements of the current UL 2034 or CSA 6.19 safety standards

In addition all grant applicants are required to be accredited landlords with schemes such as the London Landlord Accreditation Scheme
<http://www.londonlandlords.org.uk/portal/index/>

3. Amount of grant or loan available

The levels of assistance for empty properties are set out in the table below

Type of assistance	Maximum amount
Empty property grant for a property with one or two bedrooms	£22,000
Empty property grant for a property with three or more bedrooms	£27,000
Empty property conservation grant	£15,000 per bedroom with 50% match funding
Empty property loan for a property with one or two bedrooms	£44,000
Empty property loan for a property with one or two bedrooms	£54,000
Empty property conservation loan	£30,000 per bedroom with 50% match funding

The eligible amount is the value of the work approved by the Council based on the estimates you provide.

4. Provision of estimates:

The Council will normally ask for two estimates of the cost of eligible works, from different contractors but they may require more than two estimates in any particular case. These estimates must be completely independent of each other and of the applicant, their relatives and their associated companies. They must also be competitive and itemised, that is a separate price for each item of work. Estimates submitted may be subjected to review by the Council's Internal Audit Team.

The reasonable cost of fees for preparation of plans and schedules and the supervision of work etc can be included in the grant application.

5. Eligibility

A. Eligibility for the empty property **grant** depends on the following

- The rent deposit guarantee scheme (see page 4) must be satisfied that the property meets the criteria for the scheme
- The owner must complete an application form and agreement to lease the property to the Council or rent it through the rent deposit guarantee scheme for three years
- The property must have been empty for six months or longer •
- The owner must meet certain standards of renovation.
- Premises history should be checked to as to whether the property has been inspected in the last year or had grant previously, etc.
- Permission for works must be obtained from the freeholder, if applicable.
- Property must have Category 1 or 2 hazards or fail the Decent Homes standard.
- A full grant application must be made
- All works of repair and improvement must be set out clearly on a schedule of works drawn up by the EHO and sent to the property owner.

B. Eligibility for the empty property **conservation grant** depends on the following

- The Council's conservation officer must be satisfied that the property is a listed empty dwelling or an empty property in a conservation area
- The Council's conservation officer must be satisfied that the property can be used as a dwelling
- The owner must complete an application form and agreement to provide some affordable units on completion of the works (40% target)
- The owner must provide 50% match funding to the grant aid
- The property must have been empty for six months or longer •
- The owner must meet certain standards of renovation.

C. Eligibility for the empty property **loan** is set out in a separate guidance note.

For more information about grants please contact

Jason Hall	020 8891 7759
Nick Hancock	020 8891 7857
Email	residentialeh@richmond.gov.uk

VAT on Renovation of Empty Properties

H.M Customs and Excise Reference: BN CE85/01

1. The VAT rate will be cut to 5% for the cost of:
 - Renovating dwellings that have been empty for 3 years or more;
 - Converting a residential property into a different number of dwellings (e.g. converting a house into flats);
 - Converting a non-residential property into a dwelling or number of dwellings; and
 - Converting a dwelling into a care home (or other qualifying 'relevant residential' use), or into a house in multiple occupation (e.g. bed-sit accommodation).

2. The zero rate of VAT will be adjusted to provide relief for the sale of renovated houses that have been empty for 10 years or more.

Rent Deposit Guarantee Scheme

The Rent Deposit Guarantee Scheme is intended to assist people who are homeless or at risk of becoming homeless to find housing in the private rented sector. It guarantees the deposit required against any reasonable dilapidations which may occur during the period of rental, up to the equivalent of four week's rent.

If you are a Landlord who is interested in letting to tenants claiming housing benefit, this scheme provides a number of benefits:

- A deposit guarantee to cover any reasonable dilapidations which may occur to your property as a result of non-malicious damage by tenants
- Access to a supply of tenants who have been assessed as homeless by the Council and as such qualify for housing benefit
- Avoidance of Lettings Agents' fees and worry about where your next tenant will come from

If you are a resident of Richmond upon Thames wishing to benefit from the scheme, you will need to be assessed by the Council as being homeless or at risk of becoming homeless to qualify.

This scheme is intended to provide accommodation for people who may be in priority need of housing but have not become homeless intentionally.

To find out more about the Rent Deposit Guarantee Scheme please contact the Rent Deposit Workers

Anthony Minto **020 891 7390**

Sarah Collins **8891 1411 Ext: 4491**

Cathy Tyler **020 8831 6431**

Fax:020 8891 7403

Email: housingadvice@richmond.gov.uk

SAMPLE EMPTY PROPERTY GRANT AGREEMENT

THIS Agreement is made the _____ day of _____
200_____

BETWEEN:

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF RICHMOND
UPON THAMES of Civic Centre 44 York Street Twickenham Middlesex TW1 3BZ
("the Council") acting by its Head of Housing Operations of the one part and _____ ("the
Landlord")
of the other part

1. The Landlord has submitted an application to the Council for an empty property grant ("the Application") in respect of the premises known as _____ ("the Premises")
2. The Council hereby agrees to approve the Application for a grant of [£22,000] [£27,000] on condition that the Landlord lets the Premises to clients of the Council's Rent deposit guarantee scheme (RDS Scheme) (a copy of which is attached) for a period of 3 years from the date certified by the Council as the date on which the execution of the grant eligible works to the Premises are completed to its satisfaction ("the Grant Condition Period") in accordance with the terms of the attached agreement
3. The Landlord shall enter into such Agreements as are necessary in order to give effect to the RDS Scheme and an appropriate form of Assured Shorthold Tenancy with the proposed tenant(s)
4. This agreement is made pursuant to article 3 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002
5. The terms of this agreement shall be registered as a local land charge
6. Should the terms of this agreement not be complied with by the Landlord he or she shall immediately repay to the Council on demand without any deduction the amount of grant that has been paid in respect of the eligible works

As witness the hands of the parties hereto the day and year first before written

Landlord

Head of Housing Operations
on behalf of the Mayor and Burgesses of the
London Borough of Richmond upon Thames

