

London Borough of Islington

Empty Property (Landlord) Grants 2011- 2012 (i)

Empty property grants are available from the Council for bringing empty, residential properties back into use under the Regulatory Reform (Housing Assistance) Order 2002.

You can apply for a grant if:

- Your property has been empty for one year or more. Proof must be provided from Council tax or Council officer involved in empty properties (Utility bills may be accepted as proof).
- You are the owner or leaseholder of the property and are responsible for all structural repairs (NB there must be at least three years or more outstanding on your lease).
- Your property does not meet the Decent Homes Standard.
- You intend to rent the property through the Council's approved Leasing or Private Sector Opportunities Scheme, to house people in housing need nominated by the Council.
- You must retain and let the property for a minimum of 5 years on all schemes or the grant will be refundable.
- You have planning permission for your proposed works or an established use certificate.

Empty property grants provide capital funding for repairs to bring properties back into use. Where the property has been empty for one year or more the council will contribute 50% of the reasonable costs of renovation up to the maximum below. The following tables show grant eligibility for each letting scheme.

Private Sector Opportunities / Temporary Leasing Accommodation (Private Sector Leased + Housing Association Leased schemes)

<u>Accommodation</u>	<u>Maximum Amount</u>
Studios	£15,000
1 Bedroom Flat/Dwelling	£22,000
2 Bedroom Flat/Dwelling	£35,000
3 Bedroom Flat/Dwelling or more	£22,000

Renting to Key Workers

<u>Accommodation</u>	<u>Maximum Amount</u>
Renting to Key workers (Per Flat)	£29,000

Key workers are defined as a household that has single income of £30,000 or joint income of £60,000 or less per year. Please refer to key worker page for job type qualification. Owners are required to find their own key worker tenants for this scheme and submit documentation as confirmation.

Houses in Multiple Occupation Empty Property Grants

<u>Accommodation</u>	<u>Maximum Amount</u>
Bedsit (Per Unit)	£6,000

The property would have to meet the Councils standards for Houses in Multiple Occupation and (if necessary) be licensed.

Open Market Empty Property Grants

<u>Accommodation</u>	<u>Maximum Amount</u>
Per Flat	£17,000

Funding

The Council will fund 50% up to a **maximum of £90,000** of the reasonable cost of conversion and improvement of the property to the Decent Homes Standard. (See “A Decent Home: The Definition and Guidance for Implementation” www.dclg.gov.uk).

No grants are available to right to buy leaseholders if they bought directly from LBI/HFI

Calculating the amount of grant

Example 1.

Private Sector Opportunities Scheme / Temporary Leasing Accommodation

Private Sector Leased + Housing Association Leased schemes

An owner applies to convert a single property into 1 x two-bed flat and 1 x three- bed maisonette for homeless families. The grant calculation used will be:

£35,000	for two bedroom flat
£22,000	for three bedroom flat
£77,000	Total

The owner provides an estimate for the cost of works, including surveyor's fees and VAT, amounting to £140,000.

The Council assesses the **reasonable cost** of conversion and improvements to the Decent Homes Standard amounts to £130,000.

Therefore, the grant approved will be £65,000

As the grant maximum amount can only be 50% of reasonable cost.

Example 2. Open Market Grants

An owner applies to convert a property to 2x two-bedroom flats to let on the open market.

The maximum grant would be: £17,000 x 2 for two-bedroom flats. Total £34,000.

The owner provides an estimate for the cost of works, including surveyor's fees and VAT, amounting to £65,000, and intends to improve the property to a high standard.

The council assesses the reasonable cost of conversion and improvements to the Decent Homes Standard to £58,000. The grant amount maximum would 50% of reasonable cost.

Therefore the grant approved will be £29,000.

Leasing schemes

Applications made under the leasing category must meet one of the following criteria:

- Where an application is for a single dwelling, it must be a two-bedroom flat.
- Where the property contains more than one flat, there must be no more than one single one-bedroom flat. There is currently little demand for one-bedroom flats.
- All units with 2 or more bedrooms must have a bath provided in the bathroom.

Leasing schemes offer accommodation to homeless households the council has a statutory duty to house. The day to day management of the units will be carried out by a Housing Association or Agents, approved by the council.

The owner may sign up to a leasing scheme with any of the preferred managing agents (see contacts below), where they will manage the tenancies and will pay a guaranteed rent to the owner.

Agents for Leasing Schemes

Atlantic Lodge (London) Ltd	Tel: 0208 501 8907
Finefair Consultancy Ltd	Tel: 0208 554 0500
Genesis Housing Association Ltd	Tel: 0208 900 4721
Sue Harris Corporation Ltd	Tel: 0208 349 2326 / 343 3995
Thomas Properties (PSL) Ltd	Tel: 0207 281 5000

Private Sector Opportunities (PSO) Scheme

The PSO Scheme encourages private landlords to let their properties to persons in housing need, and to take direct responsibility for the day to day management of the property. Under the scheme Islington Council will facilitate the letting of the property, identifying suitable clients and introducing them to the landlord.

Once all parties are satisfied with the terms and conditions i.e. agreed rent level, gas, electric safety certificates, the landlord will issue the prospective tenants with an assured short hold tenancy. This will run for an initial period of one year, after the initial year it will then be renewable or automatically become a periodic tenancy.

All of the clients that Islington house under this scheme are eligible for Housing Benefit. The new way to work out Housing Benefit for private tenants is called the Local Housing Allowance (LHA). LHA rates are determined by the size (number of bedrooms) and exact location (full postcode) of the property. For further details or to find out LHA rates for specific properties please visit: http://www.direct.gov.uk/en/Dio1/DoltOnline/DG_196239

Once the accommodation becomes occupied via the PSO Scheme, the council will offer the landlord either a rent or bond guarantee up to eight weeks of the agreed rental income, dependent on your choice. The landlord will be required to let the property for three years to this scheme.

If the tenant leaves within this term then Islington will endeavour to place another tenant. The scheme has been set up as a preventative measure towards tackling homelessness by working in partnership with private landlords to encourage people in housing need to use the private sector as a viable housing option.

For full details of the terms and conditions you should contact the Private Housing Partnerships Section on 020 7527 6073/6089/6081.

Key worker Scheme

Key worker roles are certain public sector jobs based in England, with a household that has single income of £30,000 or joint income of £60,000 or less per year.

Key worker job type qualification

One member of your household needs to be working in one of the following roles:

- Clinical NHS staff (except for doctors and dentists)
- Teachers and nursery nurses in schools and further education or sixth form colleges
- Police officers, community support officers and some civilian staff
- Prison officers and some other prison staff
- Probation Service staff
- Planners working in a local authority
- Firefighters and some other uniformed staff in Fire and Rescue Services
- Connexions personal advisors employed by a local authority or a Connexions partnership
- Armed Forces personnel and Ministry of Defence clinical staff, Ministry of Defence police officers and uniformed staff in the Fire and Defence Service
- Qualified environmental health officers/practitioners who work in a local authority, government agency, the NHS or other public sector agencies
- Highways Agency staff in certain safety roles in the traffic officer service
- Social workers, nursery nurses, educational psychologists and therapists (e.g. occupational therapists) employed by local authorities, the Children and Family Court Advisory Support Service or the NHS.

WHAT CONDITIONS APPLY TO THE GRANT?

The grant is available subject to the following conditions (if they are contravened at any time during the three year period the full grant will have to be repaid to the Council).

- All grants are subject to the availability of funding. Do not assume you have a grant until you have received full written approval.
- A certificate of future occupation will be required prior to approval of any grant, stating that the current owner/s will retain and let all dwellings for five years from the date of completion of the grant-aided works (photographic proof of identity to be provided). Passport / photo driving licence.
- **Solid wall/flat roof insulation** must be installed when an empty property grant is awarded, an additional Eco grant may be available (please enquire when applying).
- The Decent Homes Standard and the Council's Energy Efficiency and Security Standard must be met on completion of the works and maintained for three years.
- The property (and its fixtures, fittings and furniture) must be fully insured; a copy of the current insurance certificate to be sent with the claim for payment of grant.
- Dwellings on main roads must have of secondary glazing to front windows upon completion, if double glazing is not fitted.
- The builder who estimated for the works on application must carry out the works; if you change the builder you must inform Grant Support Services.
- No interim payments will be made
- Once approved, the grants cannot be increased to cover unforeseen works, unless exceptional circumstances can be proved and funding is available.
- We would advise all applicants to employ an architect/surveyor to assist in the process. A list of architects/surveyors can be obtained from Grant Support Services.
- The owner and agent, if any, must be accredited under the London Landlords Accreditation Scheme, or equivalent, before final payment of the grant. For details contact Ian Tagg on 0207 527 6078
- Where owners wish to make their own arrangements for management, they will need to demonstrate a satisfactory track record of renting property, which must meet the standards of management required by temporary accommodation schemes run by Private Sector Partnerships.
- All tenancy Agreements to be approved by the Council.
- On completion of the works an inspection will be carried out to ensure all works have been satisfactorily completed. Although the Council officer will check the works for grant purposes, it is important that you, as the owner of the property, are satisfied. If not you must discuss your concerns with your builder or agent.
- You must ensure works are started within 3 months, and completed within 6 months of grant approval unless otherwise stated, with the grant claimed within 2 weeks of completion. To claim the grant you will need to provide a copy of the builder's final invoice/account and all relevant certificates, e.g. building control, gas, electrical, fire alarm test certificates, roof/damp-proof guarantees and also a copy of your Landlord accreditation. Payment will not be processed until all documents have been supplied.

Sustainability

- The Council supports the use of all sustainable technologies and insist on solid wall /roof insulation and the installation of dual flush W.C's and aerated taps when an empty property grant is awarded.
- We encourage contractors to dispose of waste at approved registered sites and to use green transport options (hybrid and electric vehicles for example) and encourage workers to use public transport where possible.
- The Council encourages the use of sustainable materials and “Green” electricity.

EXCEPTIONAL CASES

If you are not eligible for a grant under this grants policy and you feel you should be you can apply to be considered as having an exceptional need.

WHAT IS THE PROCEDURE?

Contact Grant Support Services (020 7527 3104) to ensure your property qualifies for a grant. Your property will need to be visited and approved for inclusion on the scheme before an application form can be sent to you. Once the application is returned fully completed with all necessary paperwork. The Council will approve (or refuse) your application and confirm the amount of grant you will receive within five weeks of receipt.

You must contact one of our agents (PSL scheme) or the Private Sector Partnerships Section (PSO Scheme) prior to your application to ensure your property and your rental valuation is acceptable.

Useful Contacts:

Grant Support Services Islington Council 222 Upper Street London N1 1XR Email: grants.residential@islington.gov.uk Tel: 020 7527 3104	The Energy Advice Team Islington Council 222 Upper Street London N1 1XR Email: energy.advice@islington.gov.uk Tel: 0800 512 012
Planning Enquiries Islington Council 222 Upper Street London N1 1XR Tel: 020 7527 2774 Email: planningenquiries@islington.gov.uk	Building Control Services Islington Council 222 Upper Street London N1 1XR Tel: 020 7527 5999 Email: building.control@islington.gov.uk

INFORMATION REQUIRED FOR A COMPLETE APPLICATION

If you do not submit all of the following information relevant to your application, it cannot be processed or approved.

- i) A fully completed, signed and dated application completed by the owner(s) of the property.
- ii) A Certificate if Future Occupation, (Intended Letting), fully completed, signed and dated by all owners for each unit of accommodation provided.. (*photographic proof of identity must be provided*). *Passport / photo driving licence*.
- iii) Two (itemised) estimates from different builders for the cost of carrying out the renovation works. (Non itemised estimates will not be accepted).
- iv) A copy of a scaled drawing showing the existing and proposed layout of the property.
- v) A statement of any fees incurred by the employment of an Architect/Surveyor and fees incurred under building regulations or planning legislation.
- vi) If VAT is being claimed, the estimates must show clearly the amount of VAT with the VAT registration number, otherwise, no VAT will be allowed.
- vii) Proof of property ownership from the land registry dated within the last 6 months.
- viii) Letter of confirmation of letting to a Housing Association, Agent or PSP scheme, or contact name.
- ix) Planning permission or established use certificate for the proposed use of the property.
- x) If you have a mortgage you may need your mortgager's consent to carry out the works.
- xi) Proof that your property has been empty for one year or more. Council tax receipts or letter from a Council officer involved in empty properties (Utility bills showing unused energy may be accepted as proof).
- xii) You must inform the Grant support team once works commence on site.

<p>GRANTS WILL NOT BE APPROVED IF YOU START WORKS WITHOUT PRIOR APPROVAL. DO NOT ASSUME YOU HAVE FUNDING UNTIL YOU ARE GIVEN WRITTEN GRANT APPROVAL BY THE COUNCIL. **All grants are subject to the availability of funding**.</p>
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Other grants are available for registered disabled people and vulnerable households please contact Grant support services 0207 527 3104 for further information.