

## **Scottish Borders Council Proposed Empty Homes Grant Scheme: Overview and Detailed Criteria**

Due to the high need and demand for affordable housing Scottish Borders Council is committed to helping bring as many empty properties in the area back into use as is practically possible. Empty properties represent a loss in the overall housing stock available and a key priority identified in the Local Housing Strategy is to utilise the private sector housing supply more effectively.

The Housing (Scotland) Act 2006, aims to encourage home owners to take more responsibility for the condition of their homes, to ensure that private housing in Scotland is kept in a decent state of repair. To do that it requires that local authorities provide a scheme of assistance, primarily to provide information and advice and in some case practical assistance. Financial assistance for property repair and maintenance is at local authorities' discretion.

The Housing Act and scheme of assistance provides a legislative and tested model in regards to house condition and the provision of support in the form of grant. Therefore, it is the intention to align the empty homes grant with the existing scheme of assistance processes in regard to financial assistance.

### **Empty Homes Grant: Proposed Outline Grant Criteria & Conditions**

- Discretionary grant for empty homes to be used for owner occupation or let as private rented accommodation for a minimum period of 5 years.
- Where rented the rent must be capped at [Local Housing Allowance](#) (LHA) rates for that period (5 years).
- The property must be registered as empty for at least one year prior to application and to be used as full time residential accommodation on completion of repair or refurbishment works.
- Vacant commercial properties will be considered if they have secured planning permission for residential use, and have been empty for longer than 12 months
- Grant up to a maximum of 75% of total cost of works and capped at £25k per property (subject to funds being available) to bring an empty property back into use. Where the intention is to occupy the property the grant offer will be capped at 50% of the total cost of works.
- Landlords must be registered with Scottish Borders Council
- Properties must meet the Tolerable or repairing Standards on completion of works.
- At least 3 fully costed and itemised schedules of works from different contractors will be required. These must specify the total costs to undertake works and state whether or not costs includes VAT. NB. Properties LTE for over 2 years qualify for VAT reduction of 5% Homes empty for more than ten years are zero rated.
- Projects involving major works require the appointment of an independent agent, architect, surveyor or equivalent to specify, tender and supervise the works.
- Properties should not have had any previous grant/loan or public subsidy in the last 10 years (excluding energy efficiency related grants through the EES:ABS programme)
- Owners can apply for empty homes grant for up to a maximum of 5 properties across the Scottish Borders area.
- Improvement works must be carried out within a period of twelve months from the date of grant applications approval. Extensions to timescales will only be granted in exceptional circumstances.

## APPENDIX 1

- If the house is sold or ownership transferred within 5 years of completion of work any grant paid will be reclaimed on a sliding scale through years 1-5 and with interest.
- Any breach to grant conditions will result in requirement of grant to be repaid on a sliding scale through years 1-5 with any associated costs also being recoverable from the owner.
- Grant conditions are recorded on property titles
- Successful grant applicants (where rented) must provide copy of the tenancy agreement for the initial tenancy and thereafter any new tenancies/tenants or amendments made during the 5 year period.
- The owner of the land/property must take all reasonable steps to keep it in a good state of repair.
- The owners of the land or premises must certify that the conditions, in so far as they apply, are being observed.
- The Council will also reserve the right to periodically inspect the property to ensure that it is being maintained to the required standard.
- The property must have sufficient equity.
- The grant will generally be paid on completion of works and following inspection however for larger more complex works, or where financial hardship can be demonstrated, a staged payment process will be available dependent on individual circumstances.