

Empty Home Loan

Financial help to bring a property back into use

What is Empty Home Loan Assistance?

This is an interest free loan of up to £15,000 for owners who want to bring long term Empty Homes back into occupation. The loan is repayable if the property is sold within the loan condition period or where other conditions relating to the loan are broken.

What type of works can be included in this loan?

The works could include any that are needed to make the home habitable, to remedy hazards and make non-decent homes decent, and include:

- Providing, repairing or replacing a heating system that is suitable and efficient for the home.
- Essential repairs to the structure, including roof, walls, windows, wiring and floors.
- Providing suitable damp proof measures where needed.

Who is eligible for Empty Homes Loan Assistance?

Any owner of a privately owned home that has been empty for one year or longer, who intends to let the property after suitable renovation. There may be circumstances where a loan is available to help the owner move into the property as their permanent place of residence.

Empty home owners must indicate a willingness to work with the Council in bringing the property back into use.

What level of assistance is available?

Loan assistance is 75% of the cost of the works, up to a maximum of £15,000. It is not subject to a financial test of resources but is subject to an undertaking to bring the property back into occupation.

We may withhold 25% of the assistance amount until the property is actually occupied, as an incentive for the owner to let the property or move into it themselves – rather than continue to leave it empty.

The Council will charge a client support service fee of 10% plus VAT on either the cost of works or the total loan amount (whichever is less).

Nomination rights in return for an enhanced loan offer

The Council is looking for partnerships with empty property owners/landlords in order to increase the supply of decent privately rented properties. These properties must be made available at an affordable rent to tenants nominated by the Council who are homeless or at risk of homelessness. In return for nomination rights, it may be possible for us to provide additional 'enhanced' loan funding towards a suitable development scheme.

Landlords can choose to manage these council nominated tenancies themselves or via their agent or make use of the Council's letting agent. The council can also assist with their expert knowledge of Houses in Multiple Occupation (HMOs), statutory legislation and lettings experience.

Please contact us for more information if you are interested in this offer.

What are the loan assistance repayment conditions?

The loan is subject to either 10 or 30 year conditions depending upon the amount we loan you. A charge is placed upon the property for the period of the loan and is only repaid to the Council if the property is sold during this period. No interest is added to the loan.

For a loan of between £1 and £8,000, the repayment condition period is 10 years. For a loan of more than £8,000, the repayment condition is 30 years.

For example, a loan of £9,000, would all be subject to 30 year repayment condition.

Who are the contractors that can carry out such works?

You are responsible for appointing your own contractor. Depending on the cost of the eligible works, a minimum of either two or three quotations are required. Quotations must be from suitably qualified and capable contractors. You must not start works before a loan is approved as started or completed works cannot be funded by the Council. Contractors quoting for certain work e.g. heating and electrical installations must be registered with an appropriate professional body.

More advice

For more information, please contact the Housing Solutions Team on 0300 300 8302.

A STEP BY STEP GUIDE ON APPLYING FOR A LOAN



