

PLACE

Empty Homes Repair and Rent Scheme Information Booklet



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1. Introduction

You may have inherited or acquired a property or you may be considering purchasing a property that has been empty for some time. Empty properties can be a source of extreme anxiety for owners due to financial and security concerns, and can quickly become a burden, requiring significant amounts of time and money to be returned to use.

Seven local authorities across Essex and Hertfordshire have come together to develop a project that offers funding and support to owners to enable properties to be returned to use with the minimum of stress and owner input. If you own an empty property that requires renovation the PLACE scheme may be the solution for you.



2. What is the PLACE scheme?

The PLACE (Private Lease Agreements Converting Empties) Scheme is a Grant and Leasing scheme that is aimed at the owners of empty properties. There are two grants available:

1. **The PLACE Grant Scheme-** a capital grant of up to £50,000 to repair and renovate an empty property. The works are carried out by Genesis Housing Association. The property is then leased and fully managed for 3 years by Genesis (the owner does not receive rent during this period).
2. **The PLACE Repair and Rent Scheme-** a capital grant of up to £25,000 to repair and renovate an empty property. The owner can choose their own contractor to carry out the works. The property is then leased for 3 years by Genesis and the owner receives a percentage of the rent each month.

At the end of the 3 year lease the property will be returned to the owner. There is no obligation to continue with a lease agreement however the owner can continue to lease the property to Genesis if they wish in return for a rental income.

This booklet details the PLACE Repair and Rent Scheme. You can obtain the information booklet on the PLACE Grant Scheme using the contact details at the back of this booklet.

3. How does the PLACE Repair and Rent scheme work?

1. Contact your Empty Homes Officer (details at the back of this booklet). They will discuss the scheme with you and if you wish to proceed they will arrange a meeting at the empty property to access its condition and determine whether the property would be suitable for the grant scheme.
2. If you wish to proceed, the Empty Homes Officer will carry out a joint survey with Genesis Housing Association (this can be done at the initial stage if you wish) to draw up a schedule of eligible works. This will include all of the repair and renovation works that are necessary to meet the required property standard and which will be eligible for grant assistance.
3. The empty home owner will be provided with an application pack which will include the schedule of works. You will need to obtain two comparable quotations from different contractors for the cost of the works. The Empty Homes Officer will be able to advise on contractor lists that may be available and specific criteria that may be relevant to their local authority. Genesis will also produce a quote for your consideration.
4. Submit your application and quotes to your Empty Homes Officer. Assuming all eligibility criteria are met the grant will be approved based on the lowest quote (where this is considered reasonable). You can select the contractor of your choice but may need to pay the difference in price if their quote is higher. You can discuss this with your Empty Homes Officer.
5. The Empty Homes Officer will send you the Grant Approval documents. You must sign and return the Grant Acceptance Form. Once you have done this then you can arrange for the works to begin.
6. Genesis will contact you to complete their application form and draft lease agreement (there is an administration fee of £120). It is a condition of the grant that this lease agreement is signed by the grant applicant as soon as the works are completed and prior to the release of any grant money.

7. You will be responsible for ensuring the works commence, that all works are carried out as specified in the schedule of works and are completed satisfactorily within agreed timescales.
8. If you do not wish to this you can choose the package offered by Genesis where, for a small fee that can be included in the grant, they take responsibility for the grant process on your behalf (see section 9 below). Genesis will arrange for the works to begin and will ensure that everything is completed satisfactorily.
9. On satisfactory completion and inspection of the works by the Empty Homes Officer you will be required to sign and enter into the lease agreement with Genesis Housing Association for a 3 year term. The grant payment will then be released.

4. Does the grant have to be paid back?

You do not have to pay back any of the grant provided that the conditions of the lease are met. A land charge for the total grant spend will be raised against the property on completion of the works. This will be removed after the grant condition period of 3 years.

5. Is my property eligible?

The scheme is for properties that have been empty for 6 months or more that require renovation or improvement to be returned to use. Your Empty Homes Officer will inform you at their first visit whether or not your property is likely to be eligible. You may also wish to have an initial discussion with your Empty Homes Officer who will be able to discuss the scheme with you and identify alternative options that may be available.

6. What happens if my property is not eligible?

If your property is not eligible for the PLACE scheme your Empty Homes Officer may still be able to offer you advice and assistance through other initiatives such as lower level grant provision, assistance identifying potential purchasers for your property in its current condition or assistance identifying private finance to fund renovation. If you would like to speak to your Empty Homes Officer please use the contact details given at the end of this booklet.

7. What works are covered under the PLACE scheme?

The grant funding is for capital works required to bring your property up to the Government set Decent Homes Standard. The Decent Homes Standard states that a property should meet the current minimum standard for housing; be in a reasonable state of repair; have reasonable modern facilities and services; and provide a reasonable degree of thermal comfort. The grant cannot cover major structural repair. The level of grant funding has been capped at £25,000 per property.



You will need to provide an oven, hob and a fridge freezer along with any other items required by Genesis (for example carpets and curtains/blinds). These are not covered by the grant. However, you can arrange for Genesis to provide these at the start of the lease and the cost recovered from your rental income. This will all be explained to you by your Empty Homes Officer.

8. My property needs more than £25,000 worth of works...

All of the works detailed on the schedule of works for the property will need to be carried out in order for the grant to be paid. If the estimated cost of the works is more than the maximum grant of £25,000 or you would like works carried out in addition to those specified then you will be required to pay the extra amount.

In cases where the costs are likely to be more than £25,000 you may be advised by the Empty Homes Officer to consider alternative options including the PLACE Grant Scheme. This scheme is suitable for works that are likely to cost up to £50,000.

9. What contractor can I use?

The PLACE Repair and Rent Scheme is designed to give flexibility on the amount of control and input an owner may want to have.

Option 1 – Choose your own contractor; take control and responsibility

You may have a specific contractor in mind that you would like to carry out the works or

At least you want to be able to make your own choice of contractor.

In this case, following a survey of your empty property by the Empty Homes Officer you will be provided with the schedule of works and you will be invited to submit at least two itemised quotations against this schedule.

Some Local Authorities within the scheme provide a list of recommended contractors that you may wish to use and some set certain criteria that your selected contractor must meet – your Empty Homes Officer will be able to advise you on this.

The amount of grant awarded will usually be based on the lowest quote, but you will be free to employ the contractor of your choice and pay any difference in costs yourself.

Once the grant is approved, you will be responsible for ensuring that the works start and finish on time and that all works are carried out to an acceptable standard and in accordance with the relevant schedule of works. You will be responsible for managing the contractor yourself or you may wish to employ someone to do this on your behalf. Contact your Empty Homes Officer if you wish to do this because the cost may be able to be included within the grant. Works must be completed to the satisfaction of your Empty Homes Officer and Genesis Housing Association at which time the grant payment will be made.

Option 2 – Genesis will engage their contractor to do the works and take on all the responsibility for you

You may not have the time, or confidence to arrange your own contractor or you may not live locally so that managing the works may be difficult. You may also want to simply have as little involvement as possible.

In this case you may wish to employ the services of Genesis who will arrange for quotations and engage their own contractor to carry out the required works. You can be assured that their approved contractor will be experienced in development and renovation work; will be required to work to the necessary building regulations standard and that all materials used will meet relevant standards as set by the Building Act 1984 and the Decent Homes Standard.



Genesis will ensure that the whole project is managed smoothly from start to finish and you will have the peace of mind that they will resolve any issues without having to get you involved. There will be a fee for this service based on 10% of the total cost of the works; however this can be included in the grant.

10. How will my property be used during the lease?

Your property will be used to provide affordable rented housing for families or individuals who have approached the Council for assistance with their housing circumstances. The partner local authorities have a nomination agreement with Genesis to nominate suitable households to your property. The successful household will be signed up to an assured shorthold tenancy. Genesis will offer support and assistance to the tenants for the duration of the lease and manage the property and tenancy on your behalf. Genesis will be responsible for finding and signing up new tenants from the local authority should the tenancy end at any time.

11. How will the lease be managed and what input will I have?

The 3 year lease period will begin on completion of the works to your property. During the lease, Genesis will be responsible for full management of the tenancy. However, you will still be responsible for any mortgages, service charges or buildings insurance on the property.

You will also be responsible for any repair works that are subsequently required, not being due to tenant damage or neglect. However, it is hoped that this will be minimal because the property will have been handed over in good condition and to Decent Homes Standard at the start of the lease period.

The tenants will be responsible for the Council Tax, utility bills at the property and contents insurance. The property will be leased unfurnished but with basic white goods, these having been provided at the start of the lease.

Dedicated tenant support teams will regularly visit tenants and inspect the premises as under standard lease agreements with letting agents.

12. What rent will I receive during the lease period?

Genesis Housing Association will collect the rent as part of their management responsibilities. They will retain a management fee that will be agreed by the consortium of local authorities and then the balance will be passed to you.

The rent will be set at a level agreed by the consortium and based on the Local Housing Allowance for the area in which the property is situated.

You will be advised during initial discussions of the rental income you will receive so that you can make an informed decision as to whether to proceed with the scheme.

13. What happens if the tenants damage my property?

Genesis will make regular visits to your property and will manage the property as part of their role as managing agent. In cases of willful damage by the tenant, Genesis will take appropriate action to ensure the necessary repairs are carried out. Responsibility for all tenant issues lies with Genesis.

At the end of the lease period your property will be returned to you in a good condition, taking into account fair wear and tear.

14. Will I have to take on the tenants at the end of the compulsory lease period?

No. Six months before the end of the compulsory lease Genesis will begin to take any necessary action to ensure the property can be returned to you vacant. However, Genesis will write to you at this time and give you the option of continuing the lease on a contractual basis with them as managing agent under a new lease.

You are under no obligation to continue the lease and you may feel that this is an ideal opportunity to start letting your property privately. Alternatively, your Empty Homes Officer will be happy to advise you on alternative options available to you and support you in the continued use of your property.

15. What happens if I need to withdraw my property prior to completion of the works?

The contract for carrying out the works lies between you and your chosen contractor. The local authority is not responsible. If therefore, you need to withdraw from the scheme prior to completion of the renovation works, no grant will be payable and you will be responsible for paying the contractor the full costs of the works.

16. What happens if I need to withdraw my property prior to termination of the compulsory lease?

The purpose of the lease is to balance the grant spend on the property. There is usually no option to terminate early although this may be agreed in some exceptional circumstances. If early termination of the compulsory lease is agreed the consortium may take the decision to institute claw back of up to 100% of the grant amount. In reaching its decision regarding claw back the consortium will consider the level of grant spend, how long the property has been leased to Genesis and your reasons for withdrawing from the scheme.

16. Can I market my property for sale during the compulsory lease?

The property remains in your ownership for the duration of the scheme so you are entitled to re-mortgage or sell your property at any time. However, you will need to notify Genesis Housing Association to enable them to make arrangements with the agent for viewings. The new owner will need to agree to take on the current lease terms and tenant until the lease with Genesis expires and the property is handed back.

17. Where can I get further information?

If you have any further questions, to find out more about this scheme, or other options for returning your property to use please contact the relevant Empty Homes Officer using the details overleaf.

Chelmsford City Council

Empty Homes Officer

☎ 01245 606906

✉ emptyhomes@chelmsford.gov.uk

East Herts District Council

Empty Homes Officer

☎ 01992 531494

✉ janeobrien@eastherts.gov.uk

Epping Forest District Council

Empty Homes Officer

☎ 01992 564149

✉ sdevine@eppingforestdc.gov.uk

Harlow Council

Empty Homes Officer

☎ 01279 446111

✉ env.health@harlow.gov.uk

Hertsmere Borough Council

Private Sector Housing Coordinator

☎ 020 8207 2277 ext 2830

✉ janice.edmond@hertsmere.gov.uk

Uttlesford District Council

Empty Homes Officer

☎ 01799 510510

✉ Environmentalhealth@uttlesford.gov.uk

Watford Borough Council

Empty Homes Officer

☎ 01923 226400

✉ ehl@watford.gov.uk