



Ribble Valley  
Borough Council

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# **DISCRETIONARY PRIVATE SECTOR GRANT POLICY**

February 2022

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## **1) FIRST TIME BUYER GRANT**

In line with the Council's climate change objectives and to address a housing issue of affordability to access the housing market RVBC have introduced a grant offer to assist people to access the housing market with a first-time buyer grant. This grant is made available to first time buyers purchasing a property that needs some energy efficiency improvements. A maximum grant of £15,000 per property will be made available.

An Energy Performance Certificate (EPC) must demonstrate the property as existing is rated between D to H. The eligible works will include bringing the property up to EPC rating of A to C.

### **WHAT TYPE OF PROPERTY IS ELIGIBLE?**

- You may qualify if your property is 10 years old and is within the Council Tax Bands A to C and has an energy efficiency rating of D or lower.
- The property is located in the Ribble Valley.

### **WHO CAN APPLY?**

You can apply for a grant if you:

- are a first time buyer and have a local connection; and
- intend to occupy the property in the Ribble Valley as your main residence; and
- you are over 18 years old; and
- cannot afford to fund the cost of the works.

### **WHAT TYPE OF WORK IS COVERED?**

Work covered by the grant can include:

- all items identified on the EPC Certificate;
- any disrepair items that would be identified during a housing health and safety rating system (HHSRS) inspection;
- at the discretion of the LA, the Council cannot pay retrospectively.

Additional work will need to be self-funded.

### **WHO WILL ARRANGE THE WORK?**

We do not arrange for the work to be completed or carry out the work; this is your responsibility. You will need to appoint the builder/contractor and arrange for any building regulations approval where necessary.

You may be eligible to get up to a maximum of £15,000 (the grant will cover half of eligible costs up to £15,000). The size of the grant would depend on the cost of the works required and the cost of the works that are deemed to be eligible. But with eligible works you will be required to provide two full sets of estimates and the grant award will match the lowest most reasonable set of estimates, evidencing value for money.

Approval of the grant award is at the Council's discretion and is subject to availability of funding. A grant approval certificate will be awarded before any payments will be made. Payment of the grant will be to the grant applicant or direct to the contractor and will follow the Housing Grants Construction and Regeneration 1997 grant guidance and all audit and financial regulations.

On completion of the approved grant works the property will need to be inspected before payment can be released.

## **FINANCIAL ELIGIBILITY**

We will assess your income, and the total earnings of the household need to be less than £80,000 per annum for a couple, £60,000 for an individual. We will require:

- 3 months bank statements;
- 3 months wage slips or P60;
- evidence of all savings and any other income source.

The calculation will consider your family circumstances and remains at the Council's discretion. The calculation needs to show that your income and savings mean you are not in a position to fund the cost of the works entirely.

## **CONDITIONS OF THE GRANT**

When you apply for the grant, you must occupy the dwelling as your main and only residence for the next 5 years. If during those first 5 years from the date of which the work is signed off by the Technical Officer, you break this agreement, you will be asked to repay the grant monies, unless there is supporting evidence as to why there were exceptional circumstances that meant you could no longer remain in the property. This would be at the Council's discretion and considered by Health and Housing Committee.

The value of the grant award will be placed as a Local Land Charge against the property. This will remain registered with no inflation added until the point at which the property is sold. At that point the Council will be repaid the grant monies. In the event that the property is sold after a period of 5 years the grant repayment will reduce to 50% of the total grant award. After 10 years the Charge is removed.

## **2) LANDLORD TENANT GRANT SCHEME**

The Council support private sector landlords to renovate rented property to bring additional affordable rented units on to the market. This increases the supply of affordable rent in the borough and guarantees good quality rental accommodation. The Council match fund private sector landlords' investment in property on the condition that on completion the property is rented out at an affordable rent level.

## **WHAT TYPE OF PROPERTY IS ELIGIBLE?**

Firstly, we ask landlords to register on a waiting list to show interest in the Landlord Tenant Grant Scheme and all types of properties will be considered but at any one time we will look at specific housing need in the area in which the property is located (2 and 3 bed properties are most needed).

Any private landlord can apply for the grant. The grant award is at the Council's discretion and any issue with previous management of stock in the borough may result in not being eligible.

You must own the property, be over 18 and have a repairing responsibility.

## **WHAT TYPE OF WORK IS COVERED?**

Work covered by the grant can include all items that are identified during the HHSRS inspection, which will be undertaken at the start of the application and any items identified on the EPC Certificate,

We do not arrange for the work to be completed or carry out the work; this is your responsibility as Landlord. You will need to appoint a builder/contractor and arrange for any building regulations, planning permission etc where necessary.

You may be eligible to get up to a maximum of £20,000 which is match funded. The size of the grant would depend on the cost of the works required and the cost of the works that are deemed to be eligible for each individual property. The total cost of the works will be agreed and then a 50% contribution will be offered by the Council.

For all the eligible work costs you will be required to provide 2 full sets of estimates and the grant award will match 50% the lowest most reasonable set of estimates. The estimates will be assessed by a technical officer and from that a grant approval certificate issued. From that date works can commence.

If you would like to carry out the works yourself, if you are a limited company, then this is permitted but the eligible works are for materials only and any labour costs cannot be included.

Approval of the grant at the Council's discretion and is subject to availability of funding at any time.

### **FINANCIAL ELIGIBILITY**

There is no means test requirement for the landlord tenant grant as the benefit to the Council is additional affordable rent property which is the priority for the grant initiative.

### **CONDITIONS OF THE GRANT**

When you apply for the grant, it is made clear that the housing management and/or landlords responsibility remain with the owner of the property. The grant is to provide capital investment into the renovation costs to bring the property up to a better standard and on condition of receipt of the grant the following is required for 5 years.

The property must be let at Central Lancs LHA rate for the house type and must be managed and rented out as an affordable rent for 5 years from the completion of the work, all nomination rights for the property are to be at the Council's discretion and the Council will provide, where possible, 3 suitable tenants to occupy the property.

The Landlord must also accept the Council's paper bond and accept the terms of protection scheme and therefore not require a month's rent up front or any bond off the tenant.

The grant will be registered a charge from the grant condition period of 5 years, any breach of the planning conditions and the owner of the property has to repay the grant conditions. The grant is registered as a charge against the property for 5 years from the date of completion.

### **MONITORING**

All grants are monitored and any approvals are reported to the next Health and Housing Committee. Both these grants are discretionary and therefore subject to the allocated budget. Health and Housing Committee will approve the annual budget for both schemes.