



Empty Property Loan Assistance Policy

1. Empty Property Loan Assistance Policy

- 1.1 This Policy is made under Articles 3 and 4 of Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 Statutory Instrument No. 1860 ('the Order') and under all other powers.
- 1.2 This Policy will come into force on 28 February 2013.
- 1.3 The Policy is made to supplement the empty property grant assistance offered by Eden District Council detailed in its Housing Renewal Policy, 2006.

2. What is the aim of the assistance?

- 2.1 For the purpose of improving living conditions in its area, Eden District Council will give financial assistance under Article 3(1) (b) ('adapting and/or improving living accommodation') and/or Article 3(1) (c) ('repairing living accommodation') of the Order so as to renovate and refurbish residential properties that have been empty for six continuous months or more.
- 2.2 Improving living conditions will increase housing capacity, lessen the burden of empty properties on their local environment, stimulate and sustain the local housing market, and improve the life chances of those concerned.
- 2.3 The total amount of such assistance to be given each year and associated conditions will be determined at least annually by the Council (subject in any particular case to the Council's statutory duty under Article 3(4) of the Order to have regard to the ability of the person concerned to make the repayment or contribution set out in any such condition before imposing any such condition).

3. What Empty Property Loan Assistance will be Provided?

- 3.1 Eden District Council may offer the following Empty Property Loan Assistance.
- 3.2 **Interest free loans.**
 - 3.2.1 Loans to a maximum of £15, 000 may be offered over a maximum five year term.
 - 3.2.2 The loans may only be used for undertaking works contained in a list of works approved by the Council in writing to enable the refurbishment of the empty property which is the subject of the empty property loan assistance.
 - 3.2.3 Before financial assistance is given security shall be first obtained on the property concerned and duly registered in order that the loan may be repaid upon the sale of that property.
 - 3.2.4 If the property is to be rented on refurbishment, Eden District Council places no conditions on the rental levels that may be charged or to whom the property may be rented as the purpose of this Policy is to return empty properties back into use.
 - 3.2.5 A formal loan agreement will be required with each person seeking assistance under this Policy. The cost of only approved works will qualify for a loan to the assisted person and the loan will take a subsequent charge on the property for the duration of the loan. A charge will be registered at HM Land Registry

where it relates to registered land and a charge will be registered at the central Land Charges Department based in Plymouth, Devon.

- 3.2.6 There will be a standing order requirement for the repayment of the loan in instances where the refurbished property is offered for rental.
- 3.2.7 In the event that the borrower defaults on the loan, the Council reserves the right to charge interest on any outstanding balance which it is owed. Interest will be charged at the Bank of England base rate plus 5%. Interest will be calculated daily and will be based on the full amount of the loan outstanding.

4. Who will approve the awarding of Empty Property Loan Assistance?

- 4.1 Members of the Executive and officers of the Council who are authorised to do so, in accordance with the Council's Scheme of Delegation, may approve the awarding of Empty Property Loan Assistance (though under Article 4 (d) of the Order can only do so in accordance with this Policy).
- 4.2 Appeals against decisions as to what assistance, if any, is to be given in the normal application of this Policy will be referred to and decided upon by the Council's Housing Portfolio Holder unless that Housing Portfolio Holder made the decision in which case such an appeal may be heard by another Member of the Executive not previously involved in the decision-making.

5. When will Empty Property Loan Assistance be available?

- 5.1 As and when resources are available and within budgets annually allocated on adoption of the Programme.

6. Who may apply for Empty Property Loan Assistance?

- 6.1 Empty Property Loan Assistance will be available to the owners of residential properties that have been empty for six continuous months or more.
- 6.2 Assistance will not be available unless all owners have consented to the carrying out of the assisted work and associated conditions by signing the application.
- 6.3 Assistance will not be given unless the written consent of all interested parties (eg mortgagees) has been given for the Empty Property Loan Assistance.
- 6.4 Eden District Council will assess the financial means and capital assets of each applicant and their household in order to determine that their property refurbishment project is viable and will not unduly burden them with debt.

7. General

- 7.1 In order to administer Empty Property Loan Assistance, Eden District Council will:
 - 7.1.1 Make this Policy available for inspection by the public free of charge.
 - 7.1.2 Provide copies of a summary of this Policy to any member of the public who requests it for the sum of £1.

- 7.1.3 Make a written offer of the Empty Property Loan Assistance setting what conditions, if any, are attached to the giving of such assistance.
- 7.1.4 Ensure that each applicant has received appropriate advice and assistance or information about the extent and nature of any obligation (whether financial or otherwise) to which s/he will become subject as a consequence of the provision of the Empty Property Loan Assistance.
- 7.1.5 Where appropriate, register a legal charge in respect of the Empty Property Loan Assistance.
- 7.1.6 Impose conditions on the Empty Property Loan Assistance to be given in accordance with this Policy having regard to Article 3(4) of the Order.
- 7.1.7 Enforce conditions requiring a repayment in every case except those where, having regard to the ability of the assisted person to make the repayment of contribution, Eden District Council is satisfied that exceptional hardship would be caused by enforcement of the condition, or that it would be unfair or unreasonable in all the circumstances and the merits of the case.
- 7.1.8 Levy an administration charge on the applicant to cover its administrative expenses whether or not the application for Empty Property Loan Assistance is granted. The administration charge which may vary, from time to time will be published in the Council's Fees and Charges document and will be made known to any applicant at the time of application.