

**BRIEFING NOTE****Recycling Capital Returned from the Empty Homes Financial Assistance Programme****Introduction**

In 2016 a new Empty Homes Financial Assistance package of £1,000,000 was launched under Plan for Homes 2, offering owners of long term empty property up to £50,000 loans assistance per empty self-contained unit of accommodation, up to a maximum of £150,000 in developments of multiple units, and grants of up to 10% of the value of the assistance.

The breakdown for the spend of the original £1m is as follows:

£716,928	Loans
£93,340	Grants
£146,756	Capitalised Salaries
£495	Other deductions
£6,409	Budget not used (added to Round 2)
£36,072	Short-term loan not part of the capital programme
<b>£1,000,000.00</b>	<b>Total Budget</b>

The loan sum of £716,928 is being repaid to the Council by the landlords of the properties benefiting from the financial assistance between 2020/21 and 2030/31.

**Proposal to Transfer Capital**

To facilitate further loans to empty home owners, the Housing Delivery Team now wish to seek authorisation to transfer into the capital programme both those loan monies already repaid so far, as well as monies scheduled for repayment from the £1million made available in the previous round of financial assistance made under Plan for Homes 2. This will enable the Council to continue to make our empty homes loan assistance available to new applicants.

The financial assistance package has been successful in bringing long term empty and challenging properties back into the city's housing stock and is a vital tool in our work. It has also improved the thermal efficiency of the newly renovated houses and therefore has contributed to the aims of the Climate Emergency Action Plan. Recycling and reallocating these funds will assist us to continue this work.

**Financial Summary**

The full amount that will be repaid from the original £1million budget is £716,928 over the next ten years. The sum already received during 2020/21 equates to £180,533 and is currently held in a ring-fenced capital receipts reserve awaiting the appropriate authorisation for it to be used for further loan assistance. This figure and those for subsequent years up to 23/24 are set out below:

Expected loan returns for this financial year and over the next three years are as follows:

2020/21            £180,533 (already received)

2021/22            £79,581

2022/23            £84,272

2023/24            £138,051

Total over the three years to 2023/24 = **£482,437**

The total sum of £482,437 would be used to fund further financial assistance loans and associated empty homes work. There is already a waiting list against which some of these funds could be allocated in order to accelerate the process of bringing more long term empty properties back into use.

The Housing Delivery Manager therefore recommends that loan repayments amounting to £482,437 for the financial years 2020/21 to 2023/24 be transferred once received into the capital programme for re-use as additional financial assistance.

The funds will also be used for project officer's time to administer the capital scheme.

Officers will continue to ring-fence the loan repayments from this scheme to enable future capital receipts to be made available for Empty Homes Assistance Programme.

**Recommendations:**

- To approve the briefing note
- To allocate £482,437 into the capital programme funded by capital receipts from the loan repayments from previous Empty Home's loans.

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