



Derby City Council

CABINET MEMBER MEETING

Date

Report of the Strategic Director for Adults,
Health and Housing

ITEM 6

Authorisation to enter into a Grant Agreement with the Homes and Communities Agency

SUMMARY

- 1.1 In conjunction with Derby Homes and Futures Housing Group, Derby City Council bid into the Empty Homes Round 2 fund administered by the Homes and Communities Agency (HCA). The bid was successful and therefore allows, subject to agreement, the Council to draw down a total of £144,000 over the two years between 2013 and 2015 to enable 8 empty properties to be brought back into use.
- 1.2 The purpose of this report is to gain the necessary approval to enter into an Agreement with the HCA in order to draw down the grant funds allocated to the Council.

RECOMMENDATION

- 2.1 To agree that authorisation be given to enter into the Empty Homes Consortium Agreement 2012-2015 allocation (local authority led consortium) with the Homes and Communities Agency (HCA), subject to the approval of the Director of Legal and Democratic Services in conjunction with the Strategic Director for Adults Health and Housing, and for relevant officers of the Council to draw down HCA monies as and when the terms of the Agreement allow.

REASONS FOR RECOMMENDATION

- 3.1 A condition of receiving Empty Homes grant is a requirement to enter into a formal agreement with the HCA and abide by the terms of said Agreement.

SUPPORTING INFORMATION

- 4.1 There are around 3,300 empty properties in Derby, with around 1,600 having been empty for six months or more. The Council's Empty Homes team work to bring properties back into use through a variety of approaches. Empty homes work is a key driver for the Council, as bringing empty properties back into use provides much needed residential accommodation for the city, addresses the neighbourhood blight caused by a minority of 'problem' empty properties and also generates income through the New Homes Bonus scheme and debt recovery.
- 4.2 The Government has long recognised the negative impact of empty properties both on the supply of housing and as a potential blight on neighbourhoods. As a result, in November 2011, the HCA opened bidding for a share of £100m fund that had been set aside to assist in returning empty homes to use as affordable housing
- 4.3 In January 2012 the Council bid for empty homes grant monies. The bid was for 11 empty properties to be returned to use over three years, with a recyclable HCA contribution of £84,000. Confirmation that the Council's bid was successful was received in March 2012. A Cabinet approval was secured on the 13th June 2012 to enter into grant agreement with the HCA in order to receive the allocated grant monies.
- 4.4 The Council has brought the required 11 dwellings back into use and has drawn down the majority of the allocated funding.
- 4.5 The Government has subsequently announced a further round of Empty Homes funding to be administered by the HCA, referred to as Empty Homes Round 2. The bidding deadline for this was 25th March 2013. The Council elected to bid for a higher level of grant than the previous bid, namely a grant rate of £18,000 per dwelling, totalling £144,000 for bringing back into use 8 further dwellings. The Council also elected to bid on a consortium basis which included Derby Homes and Futures Housing Group, with the Council as the Consortium lead. This broadens the delivery opportunities for the city.
- 4.6 The agreement to bid for Round 2 monies and the consortium approach to the second round bid have been developed in consultation with the Strategic Director of Adults, Health and Housing and the Cabinet Member for Housing and Advice. The Council was awarded the £144,000 it bid for and has worked with partners to identify suitable properties.
- 4.7 The Council and its Consortium partners are now required to enter into the stated Agreement with the HCA in order to draw the allocated grant monies.

OTHER OPTIONS CONSIDERED

- 5.1 Not entering into the Agreement will lead to the Council forfeiting its allocation.

This report has been approved by the following officers:

Legal officer

N/A

Financial officer	N/A
Human Resources officer	N/A
Estates/Property officer	N/A
Service Director(s)	N/A
Other(s)	Ian Fullagar

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Form of Agreement

IMPLICATIONS

Financial and Value for Money

- 1.1 The grant funding will support capital support for empty homes acquisitions. Empty homes qualifying under the terms of the Agreement (ie empty for more than 6 months) will generate New Homes Bonus for the Council when brought back into use.

Legal

- 2.1 None arising from this report

Personnel

- 3.1 None arising from this report

Equalities Impact

- 4.1 None arising from this report

Health and Safety

- 5.1 None arising from this report

Environmental Sustainability

- 6.1 None arising from this report

Property and Asset Management

- 7.1 None arising from this report

Risk Management

- 8.1 None arising from this report

Corporate objectives and priorities for change

- 9.1 A strong community

