

	<p style="text-align: center;">Cabinet</p>
<p style="text-align: right;">Title</p>	<p>Amendments to the Private Sector Housing Financial Assistance Policy 2017</p>
<p style="text-align: right;">Date of meeting</p>	<p>7th April 2025</p>
<p style="text-align: right;">Report of</p>	<p>Cabinet Member for Homes and Regeneration, Cllr Ross Houston</p>
<p style="text-align: right;">Wards</p>	<p>All wards</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Key</p>	<p>Key</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Appendices</p>	<p>Appendix 1</p>
<p style="text-align: right;">Lead Officer</p>	<p>Naisha Polaine Executive Director- Growth</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Belinda Livesey, Head of Housing Regulatory Services, belinda.livesey@barnet.gov.uk</p>
<p style="text-align: center;">Summary</p>	

This report is to provide details of the proposed amendments to the Council's current Private Sector Housing Financial Assistance policy in relation to Empty Property Grants.

Recommendations

That Cabinet:

- 1. Note and approve the amendments to the Private Sector Housing Financial Assistance Policy 2017 (Which will be referred to as the amended policy once approved)**
- 2. Delegate approval of any further policy amendments in relation to the maximum assistance levels to the Executive Director-Growth in consultation with the Cabinet Member for Homes and Regeneration.**

1. Reasons for the Recommendations

- 1.1 This report seeks to update the existing Private Sector Housing Financial Assistance Policy. This was approved in 2010 by DPR, and amended by the Cabinet Member for Housing 30 August 2012 (DPR1690) and the Cabinet Member for Housing on 30th May 2013 by delegated powers (DPR2051), and Housing Committee in June 2017.
- 1.2 Since 2003 the Council has used powers conferred by the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to exercise discretion in the award of funding to disabled and vulnerable residents residing in unsuitable homes.
- 1.3 According to Council Tax data there are currently 2,612 long term empty properties in the borough i.e. properties empty for longer than 6 months plus 936 in probate or the owners are in care, plus 1,682 properties that have been second homes for more than 6 months, a significant number of which anecdotally are also thought to be long term empty properties. The number of empty properties is a significant concern given the increasing need for accommodation in the borough.
- 1.4 For a number of years financial help has been available to help and incentivise owners of long-term empty properties to bring them back into use. Empty properties can be a magnet for antisocial behaviour and cause problems for local communities. They are also a valuable housing resource and bringing them back into use provides additional much needed homes in the borough. Where it is linked to grant funding these additional homes can help ease homelessness pressures.
- 1.5 There is very low uptake up of the existing scheme, following a significant increase in the cost of building works, and conditions of the policy that are unattractive to grant applicants. This report seeks to amend the existing policy to make the scheme more financially flexible and a more attractive offer to empty property owners. The updated part of the policy is attached in Appendix 1.

- 1.6 Updates have been made in relation to the amount of grant funding allocated and in what circumstances, and a flexibility to negotiate conditions in specified circumstances.
- 1.7 The cost of temporary accommodation has risen from c£5.6 million 2023/24 to a projected £9 million for 2024/25 . For 2025/26 the position is likely to continue to worsen with costs in the region of £14.2million.
- 1.8 There are currently almost 800 households in emergency accommodation and almost 2,800 households in temporary accommodation. Improving and securing properties through Empty Property Grants has the benefit of providing accommodation at a lower cost to the Housing General Fund. So increased uptake on Empty Property grants will deliver benefits to the local community and reduce cost to the Council.
- 1.9 It is hoped that through the new policy there will be a significant increase in applicants. To maximise the financial benefits to the Council, the properties will be offered up to households in temporary accommodation on Assured Shorthold Tenancies (ASTs) at a rent up to Local Housing Allowance (LHA). As such they won't be considered as Temporary Accommodation (TA) for housing benefit subsidy purposes. The properties will be managed through Bumblebee as follows:
- Bumblebee negotiates a rent based on LHA with the landlord and secures a lease on a 5-year term.
 - Bumblebee offers properties for nomination to housing applicants via Barnet Homes' Housing Options team.
 - Households are offered an AST with the length corresponding with the lease term.
 - Properties let to households at the relevant current LHA rate.
 - A management fee will be required annually as invoiced by Bumblebee to the Council from the Housing General Fund to cover overheads, and property management costs (see paragraph 5.3 for more detail).
 - Each property will have a bond agreement in place up to the value of £10,000 to indemnify Bumblebee against bad debts and damages to property at the end of the tenancy term.

2. Alternative Options Considered and Not Recommended

- 2.1 No policy change- this has not been considered to be appropriate given the low take up, increase in costs of works and increase in the needs of the Council for this type of accommodation.
- 2.2 Stop giving Empty Property Grants- this has not been considered to be appropriate given the increase in the needs of the Council for this type of accommodation, and the high number of empty properties in the borough.

3. Post Decision Implementation
<p>3.1 The new policy will take effect on approval from 1st May 2025. This will be publicised through officer engagement and the Council web site.</p>
4. Corporate Priorities, Performance and Other Considerations
<p>Corporate Plan</p> <p>4.1 A key priority of the Quality Affordable Homes theme of Our Plan for Barnet 2023-2026 is to improve the quality and energy efficiency of existing housing in the borough. This includes improving fire safety and ensuring homes are healthy by tackling damp and mould.</p> <p>Corporate Performance / Outcome Measures</p> <p>4.2 There are currently no specific measures relating to this project.</p> <p>Sustainability</p> <p>4.3 The revised Private Sector Housing Financial Assistance Policy will deliver environmental benefits for residents in relation to improvement in standards of the private sector housing stock.</p> <p>Corporate Parenting</p> <p>4.4 The decision has no direct or indirect impact on looked after children and care leavers.</p> <p>Risk Management</p> <p>4.5 There are minimal risks with the amendments to this policy. It is a spend to save initiative with parameters added in the policy for reduction in amounts if funding becomes restricted.</p> <p>Insight</p> <p>4.6 There are over 2,000 long term empty properties in the borough despite increases in Council Tax.</p> <p>Social Value</p> <p>4.7 Completion of this project will provide much needed units of accommodation for Bumblebee to house vulnerable persons in housing need. It will also assist in increasing the number of available private sector units of accommodation in the borough meeting minimum standards.</p>
5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)
<p>5.1 A capital allocation of £2,572,568 (2024-2028) has been allocated for empty property work including grants, Empty Dwelling Management Orders and CPOs in the General Fund Capital programme.</p>

- 5.2 The proposal seeks to increase the take up of the Empty Property Grant by increasing the grant cap per property, see tables below setting out the estimated cost and saving per property.
- 5.3 The proposal includes paying Bumblebee a management fee of £2,100 per annum per property managed for the 5 years. This covers the administration of the tenancy and liaison with the landlord and tenant. The costs will be paid from the Housing General Fund cost centre as the service contributes to the reduction of temporary accommodation costs. The bond agreement will also be paid from the Housing General Fund in the event of a claim from Bumblebee.
- 5.4 The current policy and proposed policy are dependent on these funds remaining available and will run as long as they are.
- 5.5 Based on the current grant amount net savings are detailed below including temporary accommodation costs and Housing Benefit subsidy loss.

	<i>Housing GF net cost per unit per annum</i>	<i>Revs and Bens net cost per unit per annum</i>	<i>Total net cost per unit per annum to the GF</i>	<i>Gross savings over 5 years</i>	<i>Current grant amount</i>	<i>Management fee for 5 years</i>	<i>Net savings</i>
1-bed	£7,765	£4,434	£12,109	£50,045	£15,300	£10,500	£24,245
2-bed	£10,592	£4,747	£15,339	£66,195	£20,400	£10,500	£35,295
3-bed	£11,885	£5,107	£16,992	£74,460	£25,500	£10,500	£38,460

- 5.6 The table below sets out the proposed increased grant caps per property and the estimated net savings to the Council including temporary accommodation costs and Housing Benefit subsidy loss.

	<i>Housing GF net cost per unit per annum</i>	<i>Revs and Bens net cost per unit per annum</i>	<i>Total net cost per unit per annum to the GF</i>	<i>Gross savings over 5 years</i>	<i>Proposed grant max cap £</i>	<i>Management fee for 5 years per unit</i>	<i>Net savings</i>
1-bed	£7,765	£4,434	£12,109	£50,045	£25,300	£10,500	£14,245
2-bed	£10,592	£4,747	£15,339	£66,195	£30,400	£10,500	£25,295
3-bed	£11,885	£5,107	£16,992	£74,460	£35,500	£10,500	£28,460
4-bed	£12,501	£5,188	£17,689	£77,945	£40,000	£10,500	£27,445

For any additional bedrooms that will be available for letting over 4 per unit an additional maximum sum of £3,000 may be paid per bedroom	
5.7	This may require additional funding from the existing budget by the Council subject to the take up of the grant programme. This is necessary to make the grant offer more attractive given that tenants will be paying LHA rather than a potentially higher rent that landlords could get if they rented through another agency.
5.8	Any grant approvals will be subject to final sign off by Spend Panel or any subsequent revised approval system whilst financial restrictions are in place.
5.9	The proposed policy is clear that grant allocation is subject to “budget permitting”
6. Legal Implications and Constitution References	
6.1	Local authorities have discretionary powers under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to provide assistance in any form for the purpose of improving living conditions provided the Council has adopted a policy for the provision of assistance under article 3 of the Order. The 2022 Order states that a local authority may impose conditions for the provision of assistance and may also take any form of security for the whole or part of the assistance.
6.2	Under the Council’s Constitution, paragraph 16 of Part 2E (Cabinet Members’ (Cabinet Members) appointment and term of office) of the Constitution (as at 28 January 2025) states that the responsibilities for the Cabinet Member for Homes and Regeneration is development and strategic direction of the Council’s housing services and regeneration programmes, including to, “promote quality in private sector housing, including through ensuring appropriate regulation of the private rented housing sector, and promoting private tenants’ rights.”
6.3	Under the Council’s Constitution, Part 2D, Section 3.3 also states “that Cabinet is responsible for... recommending major new policies and amendments to existing policies) to the Council for approval as part of the Council’s Policy Framework and implementing those approved by Council”, which this report falls under.
7. Consultation	
7.1	The grant scheme and Bumblebee details were sent to all households with Council Tax bills for 2025/26. This was a promotional rather than a consultation activity. Feedback from staff and callers is that grant levels are too low given the cost of work and proposed rental income through LHA.
7.2	There are no statutory formal consultation requirements.
8. Equalities and Diversity	
8.1	Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on

each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- a) Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- b) Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- a) Tackle prejudice, and
- b) Promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- a) Age
- b) Disability
- c) Gender reassignment
- d) Pregnancy and maternity
- e) Race
- f) Religion or belief
- g) Sex
- h) Sexual orientation

8.2 Marriage and civil partnership

8.3 Based on an initial EQIA consideration, a full EQIA was not considered necessary.

9. Background Papers

9.1 [private-sector-housing-financial-assistance-policy.odt](#)

9.2 [AmendedEmptyPropertyPolicyJune2014.pdf](#)

9.3 [Private Sector Housing Financial Assistance Policy 2017.pdf](#)

APPENDIX 1 – Updated Private Sector Housing Financial Assistance Policy in relation to Empty Property Assistance Criteria

Empty Property Assistance Criteria <p>Budget permitting, assistance is available from the Council for bringing long-term empty residential properties in the Borough back into use under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.</p> <p>Following the initial letter offering Empty Property Financial Assistance, the offer will remain open for a maximum of six months. After this time the offer of grant would normally be withdrawn.</p> <p>Five types of Empty Property Grants are available:</p> <ul style="list-style-type: none">• Empty Property (Returning From Care) Grant• Empty Property Avoidance Grant (linked to care provision)• Empty Property (Key Workers) Grant• Empty Property Landlords Grant• Empty Property Landlords Grant (where work is undertaken by agreement with the London Borough of Barnet (LBB) or an alternative agreed provider)• Empty Property (Accessible Homes) Landlord Grant
Empty Property (Returning From Care) Grant <p>The Council may offer a grant to owner-occupiers who wish to return empty properties to housing use where the applicant is in long term care or receiving care (Council Tax definition) and due to disrepair is unable to return to their property.</p>
Empty Property (Key Workers) Grant <p>The Council may offer a grant to key workers where:</p> <ul style="list-style-type: none">• the purchase price of the property was £598,000 or less.• the applicant owns no other properties. <p><i>A Key Worker is defined as a Public Sector Employee who is considered to provide an essential service. The definition used will be taken from the GLA guidance note</i></p>
Specific Conditions for Both Types of Owner Occupier Grant <ul style="list-style-type: none">▪ the property has been empty for 6 months or more.▪ the applicant owns the freehold of the property and is responsible for all structural repairs, or the applicant has a lease with at least 8 years to run and any required freeholder permission for the proposed works is obtained▪ the property does not meet the Decent Homes Standard.▪ the applicant has any required planning permission, for the proposed works or an Established Use Certificate and Building Regs approval

- the applicant has no outstanding debts to the Council e.g. Council tax arrears
- applicants who wish to convert a larger property into flats, and move into one of the units will be entitled to a Landlord's Empty Property Grant for the work (see below)
- the property must remain occupied by the applicant or immediate family for 5 years
- the maximum grant for owner-occupiers is £21,000, subject to a reasonable cost assessment. The applicant's eligibility will be determined by a means test using the formula or method dictated by the Housing Renewal Grants Regulations 1996 (as amended).
- the property shall be occupied within 1 month of completion of the work
- a charge is registered against the property so that if the property is sold, or the deeds are transferred within 5 years, the grant must be re-paid in full. In addition, if the property is allowed to fall vacant unreasonably, for a period of 6 months or more, the grant must be repaid in full. If any of the conditions are contravened following the completion of the works then the full sum will have to be repaid to the Council.

The Council has the discretion to pay up to 50% of the money before completion of the works e.g. where works to properties have stalled due to a lack of funds. This will be paid in relation to aspects of work that are assessed by the Council as being completed satisfactorily. Where the applicant is required to pay a contribution to the works this must be paid before any payments are made by the Council.

Empty Property Landlords Grant

This grant may be used towards work to*:

- bring a residential property up to the Decent Homes standard and/or,
- convert a property into self-contained flats and/or,
- demolish and rebuild an existing commercial or residential structure (providing there is an increase in the units of available housing) or,
- assist with the purchase of a long term empty property or,
- convert a commercial unit for example storage space above shops into residential accommodation.
- bring a property up to a suitable standard for letting by Bumblebee.

* Number of grant applications approved per site is at the discretion of the Council

The Council may offer a grant to landlords to return empty properties to housing use in the following circumstances:

- the property has been empty for 6 months or more
- the applicant is/will be the owner or long leaseholder of the property and is responsible for all structural repairs
- the property does not meet the Decent Homes Standard
- the applicant intends to (and the property is acceptable) rent out the property for a minimum of five years depending on the scheme taken, to Bumblebee or an alternative Social Housing provider approved by the Council, to house people in housing need nominated by Barnet Homes

- the applicant has any required planning permission for the proposed works or an Established Use Certificate and, Building Regulation Approval
- the applicant has any required freeholder permission for the proposed works
- the landlord is a “fit and proper person” as defined under section 66(2) of the Housing Act 2004 this includes not contravening any provision of the law relating to housing or landlord and tenant law.
- There are no outstanding debts owed to the Council

The maximum sums for Landlord Grants are shown in the following table. This policy provides the discretion to reduce the “Maximum Grant” or the length of nomination rights for Bumblebee through an Officer Agreed Delegated Powers Report where demand outweighs the budget available.

Number of Bedrooms on Completion	Maximum Assistance- 5 years nomination rights **	Incentive Scheme * See below
1	£25,300	£1,500
2	£30,400	£2,000
3	£35,500	£2,500
4	£40,000	£3,000
Per extra bedroom above 4	£3,100	

* This policy provides the discretion to add top ups to the grant to promote the scheme, or where landlords work closely with the Council. This can include but is not limited to:

- an Early Bird Incentive (full application before a certain date),
- a Loyalty Scheme for landlords signing up for extended nomination rights over 5 years

** This policy provides the discretion to offer assistance of the same amount for less than 5 years nomination rights where a reduced rental rate below LHA is agreed for the period. This will be at the discretion of the Head of Housing Regulatory Services.

Applicants can apply for up to a maximum of 6 units per property. Additional units may be agreed at the discretion of the Head of Housing Regulatory Services.

Empty Property Landlords Grant (where work is undertaken by agreement with the Council or an alternative agreed provider)

This policy provides the discretion to provide this grant if it is found to be viable. The service would enable landlords without access to funds up front, willing to let the property through Bumblebee, or an alternative agreed provider approved by the Council, to agree to Bumblebee or alternative agreed provider completing the necessary works. The owner would need to agree formally to any costs not covered by the grant plus an administrative fee and interest being accrued back through the rental income. Grant levels as per the Empty Property Landlords Grant above.

The property must be let to Bumblebee or an alternative Social Housing provider approved by the Council to house people in housing need nominated by Barnet Homes for five years or until the assistance plus fee has been repaid, whichever is the longer.

Empty Property Avoidance Grant (linked to care provision)

The Council may offer a grant to owner-occupiers who wish to return empty properties to housing use, or avoid a property becoming long term empty where the owner is in or is going into care. If the owner does not have access to funds to cover costs that exceed the grant, these costs plus an administrative fee and interest can by formal agreement be accrued back through rental income.

The property must be let to Bumblebee or an alternative Social Housing provider approved by the Council to house people in housing need nominated by the Council for five years or until the assistance plus fee and interest has been repaid, whichever is the longer. If the property is sold before the debt is repaid any outstanding debt must be repaid in full.

This grant may be used for work to:

- bring a residential property up to the Decent Homes standard or an alternative Social Housing provider approved by the Council and/or,
- bring a residential property up to a suitable standard for letting by Bumblebee and/or,
- conversion of the property into self-contained flats

The Council may offer a grant where:

- the property is expected to be empty for more than 6 months
- the applicant is/will be the owner or long leaseholder of the property and is responsible for all structural repairs
- the applicant has any required freeholder permission for the proposed works
- There are no outstanding debts to the Council

Empty Property Landlord Grants Specific Conditions also relating to Empty Property Avoidance Grant (linked to care provision)

- The property must be let for a minimum of five years (depending on the grant applied for and Council agreement) to Bumblebee or an alternative Social Housing provider approved by the Council to house people in housing need nominated by the Council.
- Alternatively, where accommodation is owned by a charity and tied to occupation by a specific client group, a grant may be agreed at the discretion of the Head of Housing Regulatory Services where the client group can be proved to be vulnerable. The minimum letting period will still need to be met.
- Applicants are required to convert or improve the property to Bumblebee Property Standards (or an alternative agreed by the Council) and the Decent Homes Standard
- The property (and its fixtures, fittings and furniture) must have mortgage compliant Buildings Insurance provided by the applicant. The Council will require a copy of the current Insurance Certificate to be provided before the assistance can be paid

- All works listed on the specification of works and all units within the property must be completed before the final payments can be made
- Final payments are subject to confirmation from Bumblebee (or an alternative agreed by LBB) that the works meet the standards agreed
- The owner (or agent, if any) must be accredited under the London Landlords Accreditation Scheme before final payment can be made (excl Empty Property Avoidance Grant (linked to care provision))
- Works should be started within 3 months of approval and completed within 9 months of approval
- To claim the payments a copy of the builder's final account with all relevant certificates e.g. building control, gas/electrical certificates, roof/damp guarantees etc must be provided on completion.
- The property shall be occupied within 1 month of completion of the work
- A charge is registered against the property so that if the property is sold, assigned, or the deeds are transferred within five years (depending on the grant applied for and Council agreement) from completion of the grant (depending on the grant received), the grant must be re-paid in full. In addition, if the property is allowed to fall vacant unreasonably, for a period of 6 months or more, the financial assistance must be repaid.
- If any of the conditions are contravened following the completion of the works and the payment of the grant then the full amount of the grant will have to be repaid to the Council

The Council has the discretion to pay up to 50% of the money before completion of the works e.g. where works to properties have stalled due to a lack of funds. Where the applicant is required to pay a contribution to the cost of the works this must be paid before any payments are made by the Council.

Empty Property (Accessible Homes) Landlord Grant

Subject to finance and Bumblebee approval, in addition to the Empty Property Landlord Grant a "Top Up" may be applied for to bring properties up to a standard that is accessible for persons with mobility issues. This will be a pre-set standard (see below).

The value of the **Empty Property (Accessible Homes) Landlord Grant** is not to exceed £20,000 and is to fund the following general works in a manner most likely to be suitable for the widest range of needs. It is not to fund adaptations particular to the needs of a specific person. Where there is an overlap between the work of the Empty Property Grant and the Empty Property (Lifetime Homes) Landlord Grant, a double award of funding will not be made e.g. new bathroom is required to meet the Decent Homes standard, which instead is provided with a level access shower. Only the payment for the shower room will be provided.

This will only be available to landlords signing up to the 5 year nomination rights.

The Empty Property (Accessible Homes) Landlord Grant

will fund works to make the property as far as possible compliant with the Lifetime Home Standard, but generally to:

- Make the property accessible for the commonest needs
- Ensure that any disabled occupant would have reasonable ability to circulate into and

around the dwelling and be able to access the kitchen, bathroom, WC, bedroom and family room.

- Provide accessible washing facilities, such as a level access shower
- Ensure that power, light and heating controls are so positioned as to be accessible for a disabled occupant
- Such other works as may from time to time be found to be necessary to ensure a particular property is suitable for occupation by a disabled person.

This grant will be subject to the Empty Property Landlord Grants Specific Conditions.

Report Clearance Checklist

(Removed prior to publication and retained by Governance Service)

Note: All reports must be cleared by the appropriate Portfolio Holder, Chief Officer, Legal, Finance and Governance as a minimum. Report authors should also engage with subject matter experts from other service areas where this is required (e.g. procurement, equalities, risk, etc.). The name and date that the chair or officer has cleared the report must be included in the table below or the report will not be accepted.

Legal, Finance and Governance require a minimum of 5 working days to provide report clearance. Clearance cannot be guaranteed for reports submitted outside of this time and your report is likely to be withdrawn from the agenda and deferred to the next scheduled meeting.

Author to complete table below:

Who	Clearance Date	Name	
Chief Officer	27/03/2025	Naisha Polaine	Executive Director-Growth
HB Public Law	27/03/2025	Kaniz Ali	HB Public Law
Finance	27/03/2025	Sangita Mistry	Finance
Governance	27/03/2025	Farah Hussain	
Portfolio Holder or Committee Chair	Click or tap to enter a date.	Cllr Ross Houston	
Other support service / officers (list appropriately)	27/03/2025	Nick Lowther Susan Curran Luke Ward	