

Temporary Social Housing Grant (TSHG)

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HYDES HISTORY WITH TSHG

- Hyde have been using TSHG for over 15 years
- One of the leading Registered Providers using TSHG
- In excess of £10M - 3 year programme – acquiring over 400 units
- Specialised Temporary Housing Team
- Working with Empty Property Officers in South East London and Croydon
- Scheme offers guaranteed rent, long leases, free internal repairs, gas servicing and no management fees or commission













WHAT IS TSHG?

- HCA funding for bringing empty properties back into use
- Improved – no works – rent only
- Unimproved – works and rent
- Provides units for LAs - used as TA, prevention, qualifying offers
- Capital Funding Guide link - <http://cfg.homesandcommunities.co.uk/temporary-social-housing-tsh>

- Grant is based on historic TCI levels in comparison with other Registered Providers of similar housing
- Must represent good value for money
- Grant is calculated per person per year per unit
- On costs included in grant - 21% of works costs

- Bids considered individually or in a programme – CME
- Similar to delivering street properties on a P & R programme - Quarterly and yearly targets and milestones to be forecast and achieved
- Subject to availability of funding and support from LA

HOW CAN IT BE USED?

- Properties Over Shops in Town Centres
- Properties awaiting redevelopment or sale
- Long term empty privately owned properties that require major or minor improvement works – new kitchens, bathrooms, re-wiring, central heating
- Conversions
- CPOs and EDMOs

CANNOT BE USED FOR

New Build

Registered Providers own stock

- Lease from 2-29 years
- ASTs
- Tenant rents must be within LHA levels
- Cheaper than Bed and Breakfast
- Property must be managed by Registered Provider

CPOs

- Registered Provider must be satisfied that:
- There is sufficient time remaining before demolition/refurbishment for the proposed lease to be granted – at least 2 years
- That the property represents value for money – especially if being demolished or major works needed
- That the property is suitable for letting – i.e. works needed, location etc

EDMOs

- Registered Provider must be satisfied that:
- The owner has agreed to make the property available to the RP for the duration of the lease – 2-29 years
- They have sought legal advice on the agreement they enter into
- HCA will look at grant requested, value for money, lease length, strategic regional fit, location, noms agreement etc

THE PROCESS

- Bidding for TSHG – standard bid template
- Many questions and standards will not apply
- In the Growth Zone, Section 106, is it a Brownfield site?
- No codes for sustainable homes, no Eco Homes codes
- Housing Quality Indicators only for leases over 14 years

WHAT YOU WILL NEED TO SUCCEED

- Good relationships with landlords, empty property officers, LAs and the HCA
- A financial appraisal which will take into account the possible risks and management costs for the term of the lease – this will include staff costs, voids, bad debts, repairs, handback costs etc
- Efficient and professional management team
- Minimum Lettable Standards agreed with LAs

THE DOCUMENTS

- Lease/Licence/Agreement with landlord
- Technical Design Brief – minimum standards
- ASTs
- Associated paperwork – audit trail
- Nomination agreement with the LA and letters of support for bids

THINGS YOU SHOULD KNOW

The risks and issues:

- Availability of funding and “making it work” for everyone
- Reliable Contractors, high standards, able to meet agreed timescales and keep within pre-set budgets
- Consistent nominations
- Management issues - Tenant damage, void turnarounds, handbacks, ASB, rent arrears etc
- Landlord responsibilities – non compliance with repairs, possible repossessions

- Difficult negotiations with landlords
- Delays with paperwork, legalities, funding etc
- Repayment of grant if lease ended early
- It is not a quick win
- Is it worth it? Yes it is.

- Questions?