



Private Housing Supply Plan

APPROVED BY ACCOMMODATION WORKING GROUP 08-07-24

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Final - Approved



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1. Approval

Approval was sought and secured from the Accommodation Working Group on the 8-7-24 for the release of money from the Housing Fund for measures set out in this Private Housing Supply Plan. This is as required by **Schedule 3, section 2, para 2.6.1** of the **Deed of Obligation** which states:

“Within 6 months following Commencement, East Suffolk Council shall prepare a draft Private Housing Supply Plan and shall submit the draft Private Housing Supply Plan to the Accommodation Working Group for approval.”

Formal Commencement of the SZC Project was the 15 January 2024 and therefore this Private Housing Supply Plan is being submitted to the AWG for approval on the 8th July 2024, ahead of the 6 month deadline on 15 July 2024.

Following approval by the AWG, **Schedule 3, section 2, para 2.6.2** of the **Deed of Obligation** states that:

“SZC Co shall pay the Housing Fund to East Suffolk Council in the following instalments for the purposes of delivering bedspaces in accordance with initiatives set out by the Private Housing Supply Plan:

(A) no later than 1 month following the date of the approval of the Private Housing Supply Plan by the Accommodation Working Group, £2,000,000 to be applied in accordance with the approved Private Housing Supply Plan; and

(B) on each anniversary of the date of the approval of the Private Housing Supply Plan prior to and including the sixth anniversary of the date of the approval of the Private Housing Supply Plan, the sum of £1,139,661, to be applied in accordance with the approved Private Housing Supply Plan.”

This plan is intended to cover the period August 2024 to August 2025, although the measures set out will extend beyond this for at least 2 years. ESC intends to submit a revised version with additional measures once the extent of delivery of the initially focussed projects has been determined.

2. Background

Sizewell C Data

In drawing together this Private Housing Supply Plan, ESC has had regard to the following SZC's documents, submitted as part of the environmental impact assessment to support the application for development consent, in particular with regard to the accommodation preferences, predicted spatial distribution and uptake of housing in the private rented section by the non-home-based workforce.

- Volume 2, Chapter 9 of the ES – Socio-Economics [[APP-195](#)]
- Volume 2, Chapter 9, Appendix 9C: Technical Note 3: Workforce Spatial Distribution and Appendix 9D: Technical Note 4: Accommodation Datasets and Assumptions [[APP-196](#)]
- Accommodation Strategy [[APP-613](#)]
- Equality Statement and Update [[APP-158](#)] [[REP10-024](#)]

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Wider Context

The SZC Housing Fund must be used to address the potential effects of the SZC Project and it is therefore not designed to address existing local and national housing issues, rather not to exacerbate these. However, in order to support a sustainable legacy of improved housing stock at the end of construction period, the Housing Fund will align as far as possible with wider ESC strategic objectives.

In this context, ESC has taken into account relevant strategies and data, and has had regard to the main challenges for housing which are increasing the supply, maintaining affordability, reducing and avoiding risk of homelessness, and meeting the changing needs of the population.

Some of the key drivers from the “East Suffolk Strategic Plan-Our Direction 2028” which have driven the approach set out in this Private Housing Supply Plan are:

-  – Environmental impact, focusing on a commitment to net zero by 2030, supporting sustainable transport, work in partnership to manage coastal adaptation and resilience as well as preserving the districts beauty and heritage.
-  – Sustainable housing, ensuring we are delivering the right housing based on need, tackle fuel poverty, make better use of housing stock, promote housing developments, prevent, and reduce homelessness as well as taking pride in our communities and neighbourhood.
-  – Tackling inequalities, working with partners to better understand need, prioritise early help, support our communities with grants and reduce health inequality and improving wellbeing and as community safety.
-  – Thriving economy by empowering residents to build the right career skills, support businesses to eliminate waste and recycle more. In addition to ensuring local plans work for local people and that our investments focus on East Suffolk's key sectors bringing employment and prosperity.



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3. Requirements of the Private Housing Supply Plan

Schedule 3 of the **Deed of Obligation** sets out the following definition for the Private Housing Supply Plan:

"Private Housing Supply Plan" means the plan to be prepared by East Suffolk Council and approved by the Accommodation Working Group to fund any or all of the following initiatives (or any other appropriate initiatives which the Accommodation Working Group considers in its reasonable opinion would supply private housing in the Construction Period at an equivalent rate and value for money):

- (a) supporting rent and deposit guarantee schemes, in particular to support people at risk of homelessness;
- (b) providing equity loans to residents in the owner-occupied and private rented sector to enable them to secure suitable accommodation and free up homes or rooms in the private rented sector;
- (c) providing equity loans to residents in the social rented sector to help them access owner-occupied and rented property and rationalise the supply and occupancy of social rented homes as a result;
- (d) supporting empty homes back into use;
- (e) providing loans or grants or guaranteed lets, such as renovation grants or funding for minor improvement works and lodging or rent-a-room schemes;
- (f) helping to deliver the East Suffolk Housing Strategy pledge to work with housing associations to explore opportunities for mixed schemes of private sale and affordable housing to generate profits to replace grant funding; and
- (g) tackling under-occupation and maximising efficiency.

Schedule 3, 2.6.6 states that:

East Suffolk Council shall use reasonable endeavours to identify initiatives:

- (A) for which the sums paid pursuant to paragraph 2.6.2 are required prior to the sixth anniversary of the Commencement Date;
- (B) that are practicably deliverable before the sixth anniversary of the Commencement Date; and
- (C) would deliver at least 1,200 bedspaces before the sixth anniversary of the Commencement Date.



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4. Measures to be Funded

Overview

The focus of the first Private Housing Supply Plan spend will be on:

- Supporting Rent and Deposit Schemes
- Sizewell Accommodation Grants
- Renovation Grants for Landlords

These align with **Schedule 3:**

"Private Housing Supply Plan"

(a) supporting rent and deposit guarantee schemes, in particular to support people at risk of homelessness;
(d) supporting empty homes back into use;
(e) providing loans or grants or guaranteed lets, such as renovation grants or funding for minor improvement works and lodging or rent-a-room schemes.

The aims are:

- To support people at risk of homelessness by expanding the current East Suffolk Lettings scheme.
- To increase the supply of accommodation through grant funded incentives.
- To make best use of existing, under-utilised accommodation in the Sizewell 60 minute commuting zone for non-home-based workers to provide additional bedspaces.
- To ensure good, safe standards of residential accommodation.
- To convert or bring back into use empty homes and suitable non-residential accommodation.
- To develop high quality houses in multiple occupation.
- To make available funding towards EPC C goal as an additional element of every application.

At the same time, ESC will begin working on supporting the additional measures set out above, including but not limited to the development of housing schemes that have not progressed due to a range of factors and facilitate progress, providing resources to facilitate downsizing and upsizing of tenant moves. These will be submitted to the AWG in an update of the Private Housing Supply Plan in due course.

East Suffolk Lettings

East Suffolk Lettings offers a Guaranteed Rent Scheme to increase access to good quality homes in the private rented sector for eligible residents in the East Suffolk District. The scheme brings landlords and prospective tenants together by helping with offers of suitable and affordable accommodation to applicants in need.

The scheme provides a no fee letting service that takes into consideration the landlord and tenant needs to ensure long term sustainability. In addition, we offer financial incentives – deposit bond, facilitate viewings, inventories, and inspections, and can offer support to tenants to ensure tenancies are managed appropriately. This support may include managing claims and utilities, access to services and income maximization.



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Requirements and incentives of the scheme

- No loss of rent. Rent paid on time in full every month (by the Council). Rent, set at the LHA rate + 10%.
- Tenancy agreements will initially be a minimum of 6-12 months under an Assured shorthold tenancy agreement.
- Landlords will check right to rent.
- Properties should be compliant with up to date EICR.
- The deposit is a bond agreement equivalent of 5 weeks rent – this is not a cash payment.
- We can offer you a £250 cash incentive for a landlord introduction to East Suffolk Lettings.
- The Council will compile an inventory on your behalf before the tenant moves.
- At the end of every tenancy, we will carry out a check out inspection.
- 50% contribution towards HMO licence fee.
- Properties should have a valid Gas Safety Certificate, an electrical inspection Certificate, a property licence and if required relevant landlord insurances.

Sizewell Accommodation Grants

Minor Works Grants

These are aimed at bringing an unused bedroom into use within an existing home for lodgings.

Eligible works will comprise:

- Redecoration
- New floor coverings
- EICR and electrical improvements such as additional sockets or tv point
- Additional heating
- Replacement window/secondary glazing
- Wash hand basin installed in the room

Exclusions:

- Furniture
- Soft furnishings
- Lighting
- Electrical appliances

Major Works / Renovation Grants

These are aimed at converting existing homes, rooms, annexes, or non-residential buildings to provide safe and suitable residential accommodation.

Eligible works will comprise:

- Structural works to create a habitable space
- Electrical wiring
- Heating installations
- Windows and doors



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- Plumbing and provision of kitchen and bath / shower / toilet facilities
- Additional parking areas
- Creation of HMO to licensable standards

Towards EPC C

Every application (Minor Works and Renovation) will be eligible for additional works to improve the energy rating of the home towards EPC C. This will be based on a fabric first approach but can consider any measure identified on the EPC. Where no EPC exists obtaining one would be an eligible cost.

Grant Conditions

To ensure the grants meet the aims, the following conditions will apply:

- Grants will be subject to conditions which will be linked to the property via deed of agreement lodged as a local land charge.
- Minor Works Grants (MWG - SZC) will be subject to repayment of the full sum if the accommodation is not available for use for 5 years from the date of payment/completion.
- Major Grants or Renovation Grants (RG-SZC) will be subject to repayment of the full sum if the accommodation is not available for use for 5 years from the date of payment/completion and thereafter there will be reduction to 50% repayable up to 6 years, 40% up to 7 years, 30% up to 8 years, 20% up to 9 years and 10% up to 10 years.

Grant sums

The funds will be allocated on the basis of the average cost of an additional bedspace being £7000. The average will be across all grants to give some flexibility:

- Minor works grants will have a maximum payment of £3000 per bedspace with an additional sum of up to £2500 per grant application for works towards EPC C.
- Major Works / Renovation Grants will have a maximum of £7000 per bedspace with an additional £2500 per bedspace for works towards EPC C.
- These maximum sums will be reviewed after 12 months and may be amended subject to take up and payment levels.

Application requirements

These will be as follows:

- All applicants will have to complete an application form and provide evidence of owning the property.
- One quote from a suitable tradesman will be sufficient with each application but the Council retains the right to require a second quote where the costs or other aspects of the application dictate this is appropriate. DIY applications will not be considered.
- All payments will be made direct to the tradesman carrying out the works on receipt of an acceptable invoice.
- The applicant will be required to secure any necessary Planning and Building Control consents prior to submitting a grant application.
- All work requiring certification will not be paid until satisfactory certification is provided.



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ESC Renovation Grants for Landlords

The are aimed at assisting landlords in East Suffolk by providing grants of up to £15,000 towards the cost of certain eligible works to help to improve the standard of residential accommodation above the minimum statutory standard, whilst retaining a supply of affordable rented properties in the private sector.

Application / Eligibility

Grants will be available to landlords for houses that are to be let at an affordable rent level and where the landlord is prepared to take nominations from ESC's Housing Needs team:

- In these circumstances, grants are available for properties that have been vacant for more than 5 years, including for conversion of large houses into smaller dwellings and for the conversion of non-residential property to residential (subject to the required planning consents).
- In the case of a vacant property or conversions there should be a proven need for the accommodation in that area.

Grants are also available to carry out improvements to occupied homes let at an affordable rent:

- Works to improve to the minimum statutory standard will only attract grant aid as part of a wider improvement to deliver the best practicable improvement in energy efficiency.

Affordable rent is linked to the Local Housing Allowance levels as used in calculating Housing Benefit/Universal Credit payments.

What works can be considered?

For empty homes or conversions where the home has been emptied for more than 5 years:

- All works to make safe, provide amenities, put in good repair and bring to a lettable standard.

For occupied homes, grant may be offered for:

- Up to 50% of the cost of remedying category 1 and high 2 hazards; structural repair works, where the costs of repair for one major item of repair are £1,000 or above.
- Plus 100% funding (subject to max grant) or 100% top up funding, after application of any Government or other externally funded schemes, for the additional cost towards a target EPC C or above, including LED lighting, renewable heating, or high-cost insulation (e.g. room in the roof).

When working with landlords there is a balance to be had between enforcing the minimum standards, which landlords are required to meet, and supporting landlords to deliver better than the minimum standard. Where the spirit of cooperation between the two parties fails, ESC will reserve the right to withdraw any offer of grant and proceed with achieving improvements using enforcement powers.

Amounts Available

Grants of up to £15,000 will be available towards the cost of eligible works.

ESC will calculate the cost of eligible works, usually from two independent estimates, up to the maximum:

- The grants will not be means tested.



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- They will be a simple 50% grant of the eligible cost of works to meet remedying category 1 and high 2 hazards or structural repair works, where the costs of repair for one major item of repair are £1,000 or above and 100% for the additional cost towards a target EPC C or above, including LED lighting, renewable heating, or high-cost insulation up to the maximum grant.
- Grants will not be given if the cost of works is less than £1,000.
- The council will also expect landlords to apply first to other externally funded schemes to support these works such as those promoted by the Government under their Green Homes Agenda or via the Energy Companies Obligation.
- A renovation grant can then be used to fund any shortfall.

Where the contractor is related to the applicant or is a company that the applicant (or member of his/her family) is a director or employee of that contractor or company, the grant will only cover the cost of materials used.

Repayment terms

The grant will require conditions to be met relating to the level of rent charged for the property. Details of these conditions will be set out in a deed of agreement that the landlord will need to sign:

- The main requirement is that the property will be rented out at an affordable reasonable rent for a period of 15 years or 20 years for an empty home grant.
- The landlord will be required to provide confirmation of this from time to time.
- If the landlord fails to rent at the agreed rent level the grant becomes repayable.
- The grant is also repayable if the landlord fails to provide documentary proof of rent levels or if ownership of the property is transferred.

How is the grant paid?

Payment will be made directly to the contractor carrying out the works:

- This must be one of the contractors that originally estimated for the work.
- The landlord will be asked to confirm their satisfaction with the work prior to grant payment and ESC will only pay for works that appear to be properly carried out.
- If the landlord has to make a contribution towards the cost of works, this must be paid before any grant money is issued.

5. Reporting

Schedule 3, section 2, para 2.6.3 of the **Deed of Obligation** states that:

Provided that the most recent payment due under paragraph 2.4 has been paid by SZC Co, every 12 months following the approval of the Private Housing Supply Plan, East Suffolk Council shall provide the Accommodation Working Group with the following information:

(A) expenditure of Housing Fund monies paid pursuant to paragraph 2.6.2 and the Private Housing Supply Plan by category of initiative and location;



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(B) bedspaces delivered by Housing Fund monies paid pursuant to paragraph 2.6.2 and the Private Housing Supply Plan by category of initiative and location; and

(C) bedspaces planned for delivery using Housing Fund monies paid pursuant to paragraph 2.6.2 and the Private Housing Supply Plan by category of initiative and location.

Measuring Success

The following table sets out the estimated spend and bedspaces to be delivered under the measures set out within this Private Housing Supply Plan. This is for indicative purposes only and to help the Accommodation Working Group monitor the delivery of measures under this plan, with the caveat that it is difficult to predict the uptake of measures at this early stage of the project, as this will depend on uptake by local residents and landlords choose to apply for grants.

MEASURE	DURATION	LEAD IN TIME	POTENTIAL BEDSPACES	ESTIMATED SPEND
Supporting Rent and Deposit Schemes	Initial 2 years – review to take place 12-24 months		Estimate of 10 properties in year 1 Estimate 15-20 properties in year 2	Costs will depend on property location and size. Costs include resources and upfront costs offered as part of the scheme: - Minimum (per property) - £1,248 Maximum (per property) - £1,702 Larger properties (4-beds + will carry higher costs)
Sizewell Accommodation Grants	Initially 2 years - review take up after 12 and 24 months	3 months	75-100 in year 1 200 in year 2	£500,000 year 1 £800,000 year 2
Renovation Grants for Landlords		6-12 months or up to 24 months for long term, empty homes		