



An Roinn Tithíochta,
Rialtais Áitiúil agus Oidhreachta
Department of Housing,
Local Government and Heritage

Vacant Property Refurbishment Grant: Croí Cónaithe (Towns) Fund

Scheme Outline



1 Introduction

The *Programme for Government: Our Shared Future* reaffirms that ‘everybody should have access to good-quality housing’ as well as prioritising investment in housing as a ‘social and economic imperative’. Related to this priority, the *National Planning Framework* seeks to target the reversal of rural decline in towns and villages through sustainable targeted measures that address vacancy through sustainable reuse, supporting local communities. It states that building stock that is in a state of obsolescence has the potential to offer transformative options for housing and as part of the original fabric of some settlements can serve to further preserve the heritage and cultural identity of a place.

Housing for All recognises the opportunity to reimagine and transform our cities and towns and increase residential development in tandem with an emphasis on amenities and quality of life. Addressing vacancy and dereliction is a key part of this response, set out in the context of Pathway 4 on ‘Addressing Vacancy and the Efficient Use of our Existing Stock’. *Housing for All* sets out a blueprint to ensure that houses already built are being fully used as well as resolving issues which sees habitable properties remaining vacant while people are homeless or living in unsuitable accommodation.

2 Objectives of the Croí Cónaithe (Towns) Fund

Many areas of cities, towns, villages and rural parts of the country face the blight of vacant properties, which, if brought back into use, could add real vibrancy and provide new accommodation in those areas. The Croí Cónaithe (Towns) Fund is a key initiative which underpins these policy objectives set out in Pathway Four of *Housing for All*.

There are two schemes under the Croí Cónaithe (Towns) Fund which are delivered by local authorities. The **Vacant Property Refurbishment Grant** provides people with a grant to support the refurbishment of vacant properties while under the **Ready to Build Scheme**, local authorities make serviced sites available in towns and villages at a discounted rate to individuals who want to build their own home.¹

The **Vacant Property Refurbishment Grant**, funded by the Croí Cónaithe (Towns) Fund was launched on 14 July 2022 and will benefit those who wish to turn a formerly vacant house or building into their principal private residence.

When the Grant was launched it was made available to eligible vacant properties in towns and villages. Following a review, a decision has been made to expand availability of the Grant nationwide to eligible vacant properties in cities, towns, villages and rural parts of the country.

The Croí Cónaithe (Towns) Fund, is targeted to deliver some 2,000 homes by 2025. Data is being gathered on the operation of the initiative. While interim reviews will be ongoing, a comprehensive review and evaluation of the Croí Cónaithe (Towns) Fund will be undertaken no later than mid-2024.

¹ The Ready to Build Scheme was launched on 21 September 2022. Under the Scheme, local authorities will make serviced sites available in towns and villages at a discount on the market value, to individual purchasers for the building of their home which will be their principal private residence. It is intended that the local authority will develop existing site(s) in their control or purchase site(s) and make them available for development by providing services and access to the site(s) concerned. The level of discount to the individual will depend on the level of servicing cost incurred by the local authority before the sale of the site with discounts up to a maximum of €30,000. The amount of such discount will be reflected in the sale price of the site to the purchaser.

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Vacant Property Refurbishment Grant Levels

A grant of up to a maximum of **€30,000** is available for the refurbishment of vacant properties for occupation as a principal private residence, including the conversion of a property which has not been used as residential heretofore, subject to appropriate planning permission being in place. This is subject to upper limits for the types of work specified below having regard to a reasonable cost assessment by the local authority. The Grant is inclusive of the VAT cost of the works.

Where the refurbishment costs are expected to exceed the standard grant of up to **€30,000**, a maximum top-up grant amount of up to **€20,000** is available where the property is confirmed by the applicant to be derelict (i.e. structurally unsound and dangerous) or if the property is on the Derelict Sites Register, bringing the total grant available for a derelict property up to a maximum of **€50,000**. In the case of a top-up grant in respect of a derelict property not on the Derelict Sites Register, an independent report prepared by an appropriately qualified professional is required to be submitted along with the application confirming that the property is derelict.

Those applying for the Grant will be required to indicate on the application form if they are applying for the Vacant Property Refurbishment Grant alone or the Vacant Property Refurbishment Grant including the Derelict Property top-up Grant.

The level of Grant will be contingent on the works approved by the local authority and will be paid based on vouched expenditure following a final inspection by the local authority.

An SEAI Better Energy Home Scheme Grant² may be available in combination with this Grant. Works covered by SEAI Better Energy Homes Scheme will therefore not be under the Vacant Property Refurbishment Grant. The local authority must satisfy themselves that proposed works are not claimed for under any other grant.

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How the Scheme Works

Properties considered for inclusion must be:-

- ▶ vacant for two years or more; and
- ▶ built before 1993.³

For a property to be deemed derelict (i.e. structurally unsound and dangerous), the applicant must confirm this by submitting an independent report prepared by an appropriately qualified professional along with the application form. The property can also be deemed derelict if it is on the local authority's Derelict Sites Register.

Confirmation of vacancy can be validated and verified by the use of, for example, utility bills, which can help determine vacancy periods (e.g. pattern of usage or disconnection) or such other proofs as are available, to the satisfaction of the local authority. Confirmation of vacancy must be validated and verified by the local authority prior to grant approval.

² SEAI Grants include Attic Insulation up to €1,700, Cavity Wall Insulation up to €1,700, Internal Insulation up to €4,500, External Wall Insulation up to €8,000, Heat Pump Systems up to €6,500, Solar PV up to €2,400. Further details are available on the SEAI website: www.seai.ie

³ Aligned with prioritisation under the SEAI Better Energy Homes Scheme

Proof of both vacancy and ownership are required to support the grant application. In terms of ownership, it is a matter for the applicant to confirm ownership with the local authority. Evidence that the property was built before 1993 will also be required.

A local authority may give approval in principle to a grant application where the applicant is able to provide evidence of active negotiations to purchase a property i.e. confirmation of engagement from the estate agent or owner of the property and where the owner provides such evidence as to vacancy as is required under the scheme on behalf of the applicant.

Such approval in principle shall not be confirmed as approval in full until ownership has transferred to the applicant. No drawdown may take place until such ownership has been confirmed to the satisfaction of the local authority.

Evidence of ownership for the grant payment, which the relevant local authority may consider, is outlined in the table below.

Ownership Requirements for grant payment	Examples of Proof that may be submitted
The owner must be an individual who owns the dwelling (whether jointly or not) and the local authority must satisfy itself as to the ownership prior to approval of the grant.	<ul style="list-style-type: none"> ▶ Title deed⁴ or similar legal instrument proving ownership of the property; ▶ evidence of current paid buildings insurance policy / schedule; ▶ evidence of payment of Local Property Tax (LPT); ▶ mortgage statement dated within the last 12 months.

The relevant owner is required to reside in the dwelling as his or her principal private residence on completion of the qualifying works to the dwelling. A declaration that the individual intends to reside in the dwelling as his or her principal private residence on completion of the qualifying works to the dwelling must be provided to the local authority and clawback conditions will apply where the applicant ceases to reside in the dwelling as a principal private residence.

Where appropriate, the applicant must submit evidence of planning permission for the development / works proposed or a declaration of exemption under the Planning Acts.

The refurbishment of a vacant property for occupation may involve development that requires planning permission. Where appropriate, an applicant under the scheme will be required to submit evidence that planning permission has been attained prior to final grant approval. In cases where a question arises in relation to whether a proposed development needs planning permission or is exempted development, an applicant under the scheme will be required to submit a declaration of exemption under Section 5, of the Planning Acts. This question may arise, in particular, in the case of a change of use, properties that have been vacant for a long period of time, and properties that are in a substantial state of disrepair and / or require substantial works.

A local authority may give approval in principle to a grant application where the applicant is required to obtain planning permission for the development / works involved. In these circumstances the applicant shall provide details of their current planning application to accompany their grant application. Any grant approval in principle shall not be confirmed as approval in full until a final decision has issued in respect of the planning application by the planning authority.

4 A title deed can be obtained from the Property Registration Authority of Ireland (www.prai.ie)

5 Types of Work Covered

The following categories of works are eligible for grant assistance, subject to a reasonable cost assessment by the local authority and to the limits for specific works as set out in the table below. The works must be approved in advance, following inspection by the local authority of the subject property.

Refurbishment requirements for each property will differ depending on the type / size / condition of the existing building. The cost thresholds levels set out below are based on a typical two storey, 3 bed semi-detached house.

	Works Category	Maximum Cap on Specific Elements (incl. VAT) based on a two storey, 3 bed semi-detached
1.	Demolitions / Strip-out / Site Clearance (including removal of hazardous materials)	Max €30,000 for Vacant Property Grant only Max €50,000 incl. Derelict Top-Up Grant
2.	Substructure works (including works to foundations; rising walls; beds / slabs; damp-proofing; underpinning)	Max €30,000 for Vacant Property Grant only Max €50,000 incl. Derelict Top-Up Grant
3.	Superstructure works (including works to internal / external walls; chimneys; upper floors; stairs; roof structure; other structural timbers)	Max €30,000 for Vacant Property Grant only Max €50,000 incl. Derelict Top-Up Grant
4.	Completions (including works associated with external doors and windows; internal doors and associated frames, architraves and ironmongery; balustrades; skirtings; rooflights; fascias / soffits; rainwater goods)	
4a	external completions (incl. doors, windows, sills)	€15,000.00
4b	internal completions (incl. doors, frames, architraves, ironmongery)	€5,000.00
4c	skirtings	€2,500.00
4d	fascias, soffits, rainwater goods	€3,000.00
4e	roof completions (incl. flashings, fascias, soffits, gutters, downpipes)	€10,000.00
5.	Finishes (including finishes to external / internal walls; ceiling finishes; tiling / waterproof finishes to wet areas; roof finishes)	

	Works Category	Maximum Cap on Specific Elements (incl. VAT) based on a two storey, 3 bed semi-detached
5a	tiling / waterproof finishes to wet areas	€2,000.00
5b	painting and decorating	€7,500.00
5c	roof finishes	€10,000.00
6.	Services (including plumbing; heating; ventilation; power; lighting; telecommunications; smoke / CO2 detection)	Max €30,000 for Vacant Property Grant only Max €50,000 incl. Derelict Top-Up Grant
7.	Fittings (including kitchen units; sanitary / bathroom fittings)	
7a	kitchen units	€5,500.00
7b	sanitary ware / bathroom fittings	€2,000.00
8.	External Works (necessary external / site works carried out within the curtilage of the site)	€5,000.00
9.	Extension within the ambit of exempt development under planning regulations, as part of a wider refurbishment	Max €30,000 for Vacant Property Grant only Max €50,000 incl. Derelict Top-Up Grant
10.	Professional services associated with works (fees / surveys)	10% + VAT of the nett construction cost or €10k, whichever is the lesser

Additional Grant Conditions

Subject to the above, the following additional conditions will apply:-

- applicants must meet the eligibility criteria set out in Section 6;
- applicants may only apply for one grant under this scheme;
- applicants must live in the home as their principal private residence when completed;
- applicants must have their tax affairs in order, with tax clearance from Revenue;
- local property tax to be in order where applicable;
- applicants must agree to the clawback conditions set out in Section 8;
- applicants must be selling or have sold their previous property;
- applicants must provide vouched expenditure for the works undertaken.

6

Applicant Eligibility Criteria

The Fund is focused on home ownership. A range of individuals or households, where the property will be their principal private residence are eligible to avail of the scheme, with the prioritisation of applications for consideration using the framework below and in line with overall funding available. The priorities are implemented on a sliding scale.

Framework of Priorities

1. Applicants who are First Time Buyers (i.e. not have purchased or built a home for themselves) or who qualify under the 'Fresh Start' principle. The Fresh Start principle includes previous homeowners who have experienced divorce or separation, or insolvency or bankruptcy, and who no longer have a legal interest in the previous home.
2. Applicants (other than 1 above) who have particular needs – specifically, disabled people or older people who are moving from their current home which they are selling or have sold and want to refurbish and live in a vacant property.
3. Applicants (other than 1 and 2 above) who are moving from their current home which they are selling or have sold and want to refurbish and live in a vacant property.

The scheme is exclusively available to individuals or households for which the property will be their principal private residence. It is not available to undertakings and / or developers, etc. and applicants must be selling or have sold their previous property. Applicants may only avail of the Grant once and local authorities will ensure adequate tracking and checking of property addresses in this regard.

Purchasers benefitting from this scheme may also be eligible for a Local Authority Home Loan, or, retrofit grants under the Better Energy Homes Scheme. In the case of retrofit grants, the local authority will not make the Vacant Property Refurbishment Grant available for the same work.

Local authorities will ensure that the works have not been grant aided via any other scheme and applicants are required to provide any information as may be requested by a local authority regarding any other grant aiding of works applied for.

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Eligible Locations

Following a recent expansion of the Grant, it now applies to qualifying vacant properties in cities, towns, villages and rural parts of the country.

- Local authorities will consider and prioritise applications based on the following criteria:
- the overall levels of vacancy and dereliction within their administrative areas;
 - assess the application in line with considerations outlined at Section 6 above;
 - alignment with policies of the relevant development plan including areas / objectives identified for regeneration;
 - the role that the Grant might play as part of wider town regeneration particularly in the light of emerging Town Centre First Plans and integration with other committed regeneration funding through the Urban Regeneration and Development Fund, the Rural Regeneration and Development Fund and the Towns and Villages Renewal Scheme.

8 Clawback

It is required that the applicant(s) will live in the qualifying property for a period of at least five years from the date of payment of the Grant. If at any time they sell the property or it ceases to be their principal private residence within **ten years**, they must reimburse the local authority an element of the full value of the Grant, as follows:

Up to 5 years	Over 5 years and less than or equal to 10 years	Over 10 years
100% of the monetary amount of the Grant	75% of the monetary amount of the Grant	No Clawback

In the event of a fall in the value of the property, the full monetary amount, subject to the percentage clawback above will be repayable to the local authority.

An agreement must be concluded between the local authority and the applicant which contains the clawback agreement, including a charge on the property, which shall be binding on the applicant upon drawdown.

9 Operations and Management of the Fund

The operation of the schemes funded by the Croí Cónaithe (Town) Fund is delegated to local authorities who manage prioritisation of applications in line with the Framework of Priorities and overall funding available.

Steps for Assessment and Approval of the Grant

The local authority will:

- ▶ check the application to make sure it is complete;
- ▶ assess the application in line with considerations outlined at Section 4, 6 and 7 above;
- ▶ arrange for suitable technical staff to visit the property to make sure it is possible to do the work and assess the projected costs;
- ▶ write to the applicant to let them know if the application has been successful and the level of grant which has been approved (including for applications seeking approval in principle to write to the applicant providing same);
- ▶ require evidence such as appropriately detailed invoice (s) for the completed works and arrange for suitable technical staff to visit the property and confirm that the work has completed as vouched in the documentation.
- ▶ provide an agreement to be signed by you which contains the clawback agreement including a charge on the property
- ▶ ask you to submit in information from the contractor doing the work such as their tax reference number to check their tax clearance details
- ▶ ask for bank account details where the grant will be paid when the works are completed
- ▶ ask for an invoice for the completed work and arrange for suitable technical staff to visit the property and confirm the work is completed, in line with assessed costs.



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