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By email to: [RCGF2015@hca.gsi.gov.uk](mailto:RCGF2015@hca.gsi.gov.uk)

26 February 2015

Dear Fiona

### **Consultation on the recovery of capital grant**

Thank you for giving CIH the opportunity to comment on proposals to revise the Agency's recovery of capital grant and recycled capital grant fund determination 2012. Our thoughts on the proposals are outlined below.

#### **Principal areas for change**

**I. Extending the scope of the determination to cover all classes of registered provider, including allowing the recycling of grant**

The proposal to extend the determination to cover all classes of providers makes absolute sense. We also welcome the recognition that local authorities need a slightly different approach.

In relation to profit making registered providers, we would support option 2: that profit making registered providers are required to recycle grant plus a proportion of uplift based on house price inflation following any relevant event that triggers recycling.

**II. Remove references to the GLA and Greater London from the determination**

We understand that, as there is now a different framework in place for London, it makes sense to update the rules to exclude it.

#### **Points for clarification**

**III. Requirements to consult and seek HCA consent where write off of grant is proposed**

In our view, the principle that organisations consult the Agency first in advance of write-off seems fair and reasonable.

[www.cih.org](http://www.cih.org)

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**IV. Arrangements where stock is transferred from non-profit registered providers to profit making registered providers**

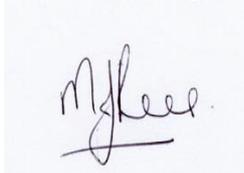
We see this as a timing issue and the proposals outlined are reasonable.

**V. Reporting of outline plans to use the recycled capital grant fund**

We have no objections to this proposal.

If you have any queries, please just let me know.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Rees', is centered within a light blue rectangular box.

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Head of Policy

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