

## Best practice: other Local Authority approaches

### 1 APPROACH OF OTHER LOCAL AUTHORITIES

#### 1.1 Medway Private Rented Sector Scheme (PRS)

- 1.1.1 The PRS helps people secure privately rented accommodation. It provides financial support to people who are having difficulty with their finances or those threatened with homelessness. Financial support could be help with rent in advance or deposit.
- 1.1.2 Assess households for the scheme based on the person's circumstances and their priority need (need to be threatened with homelessness and in priority need). The council carries out an affordability assessment for each person before the scheme is agreed.
- 1.1.3 The key points of the scheme:
- Offers 'financial incentives' paid within two weeks of a signed tenancy
  - Tenancy support
  - Access to mediation services
  - Support from a council officer
  - Encourage tenants to join the Tenant Accreditation Scheme to help them understand tenancy related matters.
- 1.1.4 Medway previously offered six weeks deposit (homebond) and six weeks rent in advance, in cash, which amounted to £3000 on average. The Housing team realised this would be better used flexibly, depending on the situation and what the landlord feels they need to re-assure them about a potential tenancy. It's possible the amount offered to a landlord could be more than £3000, depending on the property and situation, e.g. £3000 doesn't represent as much reassurance for a landlord in relation to a 5bed, as it would for a 1 or 2bed. Require a 12 months initial fixed term, but will accept six months.
- 1.1.5 Incentive payments – accredited landlords are able to get a one off payment of £1500, £750 for landlords who aren't accredited per tenancy. This is paid after a tenancy is signed up to. The incentive payment is on a case by case basis, but isn't an option in some circumstances, e.g. if a previous tenancy was ended mainly to benefit from another incentive payment for the new sign up. The incentive available for HMO's is £1000, payable on the re-let of all rooms, e.g. if there are four rooms, on every fourth let.
- 1.1.6 Medway ran a "Call before you serve" campaign to encourage landlords to contact the Council before serving notice on their tenants, for the housing options or PRS team to see if there is anything they can do to resolve the situation, with a view to sustaining the tenancy. The prevention fund is used for this campaign, and can help by paying arrears, set up tenancy support (e.g. help remind households to pay their rent etc).

1.1.7 The council may 'guarantee' 6 or 12 months of any top-up elements that a landlord is concerned about. In these cases the money is put aside, so it can be paid to the landlord if the tenant fails to do so. This is funded by the prevention fund. Payment of this guarantee is on the basis of the landlord informing the Council from the first incident of non-payment.

1.1.8 Tenant accreditation – led the private sector team. Prospective tenants come in to the Council for a workshop, a half day course, which goes through what being a tenant involves, budgeting, behaviours, responsibilities, rights (re. repairs etc). Attending the workshop goes on their personal housing plans.

Feedback has been positive from landlords and they really like tenant accreditation. Some landlords will only take tenants who are accredited now as they feel it means the tenant is motivated and takes responsibility.

There are follow up visits and checks after the workshop to get accredited.

1.1.9 Private Rented Sector (PRS) team:

- 1 officer – finds homes, emphasising importance of rents being close to LHA, and does sign-up, including Housing Benefit on sign-up. This officer liaises with finance and handles sign-off for payments
- 1 officer – from Private Sector for property inspections, takes photos pre and post tenancy, to inform any future bond/ deposit claims, but doesn't complete inventory (unless l/ord doesn't have an inventory, in which case provide a template and this officer carries it out)
- 1 officer – landlord and tenant accreditation, focus groups, forums, liaises with landlords
- 1 assistant/ officer – follows up things, after sign-up to check how things are going with both landlord and tenant, at 1 month, 3 months & 6 months. Pass information back to Options officers, so they can work to resolve under prevention work, e.g. DHP and prevention pot to pay arrears.

1.1.10 Affordability is within the options case, as it's fundamental to establishing the options for a household. Use call credit 360 system, similar to Experian, along with HB records, income and expenditure to establish the options open to a household.

1.1.11 Data and monitoring - an Excel database is used for all properties, which flags when a follow up is due and when a fixed terms is due to expire etc.

Details of any deposits, guarantees relating to a tenancy are noted on this spreadsheet. The date that follow up visits are due are also flagged.

At the time of my visit Medway had 344 households in TA, with approximately 60 of which were council owned and 90 Paramount Independent Property Services.

## 1.2 Ashford Borough Council

### 1.2.1 Local Lettings Agency:

- Guarantee rent for the fixed term of the tenancy (most likely to be 12 months)
- 2 week void period between tenancies, where rent not guaranteed
- 10% management fee – selling point is no extra fees for letters, tenancy support etc
- Tenancy support – quarterly inspections
- Rents are as close to LHA as possible – consider up to 10% over the LHA to be affordable
- Inspect properties (HHSRS)
- Repairs service available – additional 10%
- Lower risk households, normally
- AST between landlord and tenant.

### 1.2.2 Deposit offer: direct with private landlords who don't want to use the lettings agency model:

- Cash deposit and rent in advance – many are done as loans, some as grant. Tenant pays the money back gradually
- Affordability check
- Pay fees, or top up for certain time, from homeless prevention funding.

## 1.3 Reading Borough Council

1.3.1 [Rent with confidence \(RRWC\) scheme](#): the aim of the RRWC Scheme is to rate landlords, letting and management agents based on which of the criteria of the RRWC Scheme they achieve. The RRWC Scheme encourages landlords, letting and management agents to work with Reading Borough Council to provide tenants with good quality accommodation and good property management services.

### 1.3.2 [Rent Guarantee Scheme \(RGS\)](#):

- Guaranteed rent paid directly to l/ord, in advance
- Up to six weeks deposit
- Rent paid during void periods
- Property viewings arranged within a day
- Video inventories at start and end of tenancy
- Reference - checked tenants to choose from
- Regular visits to your property
- Free service.

1.3.3 The property can be furnished or unfurnished. Properties are inspected before accepted onto the scheme to make sure it meets legal, meets health and safety standards etc.

1.3.4 Tenants pay their rent to the Council and save an agreed amount every month over a three year period towards their deposit. At the end of the tenancy the landlord can claim against the deposit if there is any damage to the property or its contents beyond normal wear and tear.

1.3.5 Landlords can use a letting agent to manage their property.

1.3.6 Criteria for rent deposit scheme:

- Homeless / at risk of homelessness – statutory definition (28 days, not reasonable)
- Low income (statutory benefits or low income)
- Local connection
- Priority need – non-priority need singles could qualify.
- Council find, or they find themselves
- Rents need to be LHA levels.

1.3.7 Tenancies secured in the private sector are used to discharge homelessness duties.

1.3.8 How it works - three legal agreements are used for the rent guarantee scheme:

- 1 is between the council and the tenant
- 1 is between the council and the landlord
- AST between landlord and tenant.

The agreements state the Council will 'sponsor' the rent and will pay the landlord, and the tenant will pay the Council.

1.3.9 Affordability checks – a money advisor in the team checks affordability as part of the housing advice case, before putting on the RGS. Refuse if private rent will not be affordable for a household.

1.3.10 The Housing management system (Open Housing) is used for rents and deposit payments (Reading is a stock owning authority).

Income and rents officers manage the rent accounts and address any arrears, applying general policy. Accounts are checked monthly. Action will consist of warnings, a visit and then notice. The landlord serves notice, at the request of the Council – the landlord has 10 days to serve notice or the Council stops the rent payments. This is part of the agreement between the Council and the landlord.

1.3.11 The RGS team look for properties and speak to landlords. The money advisor holds workshops on budgeting. Pre-tenancy workshops are held to prepare households for having a tenancy. A video inventory is carried out (and stored on a local drive).

Support is provided within the tenancy through floating support commissioned from a local charity.

1.3.12 The RGS team consists of a money advisor, 2 procurement officers (property checks and H&S), 1 business support officer and 2 lettings officers (sign-ups and viewings).

#### **1.4 Maidstone Borough Council – incentive scheme**

1.4.1 Maidstone Borough Council (MBC) offer the [HomeFinder scheme](#), with a one off cash payment or bond. The scheme offers landlords a one-off payment incentive for every property the Council can use to provide for households on their housing register. Key points of the scheme are as follows:

- One off payment of £2,500 - £4,000
- Free check in and check out of tenant
- Free inventory (via a specialist third part inventory service)
- Regular tenancy sustainment visits
- Dedicated customer support thought.

1.4.2 Landlord eligibility:

- The property must meet required standards and an inspection is carried out before sign-up
- Copies of gas safety certificate, energy performance certificate, tenancy agreement, electrical certificate and fire safety certificate if applicable, must be provided
- MBC have nomination rights for the tenants put in the property
- Evidence of ownership of the property is needed
- Rents need to be at LHA levels
- Incentive payment includes any deposit the landlord wishes to take. No further deposit will be made, but a bond equivalent to six weeks LHA could be made for future tenants if a loss has occurred
- Tenancies must be for minimum of 12 months.

1.4.3 MBC also offer a deposit bond, as security against damage, cleaning costs and rent arrears:

- Minimum bond is £1,250
- Free check in and check out
- Free inventory
- No need to register with a Tenancy Deposit Protection Scheme.

1.4.4 Landlord accreditation is provided via the London Landlord Accreditation Scheme.