

# Private Sector Letting Scheme

**2022**



## **1. Introduction**

There is currently not enough social housing in the borough to meet the needs of its residents. We are regularly approached by people in housing need for a variety of reasons such as overcrowding, relationship breakdowns and parental exclusions.

The private rented sector now has a very big part to play in meeting critical and urgent housing needs. Oadby & Wigston Borough Council (The Council) want to support landlords to provide long-term, stable private tenancies to the people in the borough who need housing the most.

The Council recognises that good quality, stable housing improves the lives of families, allows children to achieve more from education, and generally benefits communities and the borough as a whole.

Our scheme aim to create as many new tenancies each year as possible, and to support those tenancies going forward to ensure they succeed. The Council would like to proactively work in partnership with local landlords and encourage local landlords to participate in the scheme.

## **2. Letting Scheme Benefits**

As a private landlord or agent you can benefit from letting your property to people who have approached the council for housing assistance. Our scheme offer a range of options to accommodate those landlords who want to remain 'hands-on' to those that would rather take more of a back seat. The benefits of the scheme include:

- Free services (normally at cost through an agent)
- Free tenant matching
- Free advice and support
- Free welfare checks on your property
- Cash incentives
- Stable long-term tenancies
- Non-payment intervention

## **3. Who qualifies for the Letting Scheme?**

In order for tenants to qualify for the scheme, they must be assessed as having a significant housing need. For example, serious overcrowding, or an impending eviction notice. As such, each tenancy created solves a critical housing issue for a particular household.

We also ensure that all prospective tenants have not worsened their own circumstances, and do not have risk factors that would indicate a tenancy could fail.

Prospective tenants will only be put forward for the scheme if we consider them to be a good fit. We do our utmost to complete background checks on tenants, obtain references from previous landlords with regard to clear rent account histories, and tenancy readiness.



Although not everyone helped under the scheme is living on a low income, applicants will only be considered for the scheme if the Housing Options Service is satisfied that they are capable of paying their rent regularly and in full.

If we feel that the prospective tenant would benefit from support within the tenancy, we would always ensure that is in place by making the relevant referrals to appropriate external agencies and our commissioned partners to arrange for a support worker to be in place for the tenant in addition to the support provided by us to the landlord.

Where there are any concerns, we would agree disclosure between tenant and landlord, and the landlord would have the final say on whether to proceed.

#### 4. Letting Scheme

In return for letting a property in line with local housing allowance (LHA) rates, with an initial fixed-term of 12 months or more, the scheme benefits include:

- No commission or set up costs
- Free property inspection to check the housing health and safety rating system standards
- Free tenant finding service with thorough vetting process
- Regular tenancy health checks, including early intervention and tenancy sustainment if problems arise
- A Deposit Guarantee Agreement covering damage up to the value of one month's rent
- A 12-month Rent Guarantee Agreement (terms and conditions apply)
- Free non-payment intervention, if requested our Housing Options Service will take action to get the rent paid directly to you and attempt to recover any rent loss
- Landlord dedicated support for advice with excellent links to Department of Welfare and Pensions (Local Housing Allowance and Universal Credit questions answered quickly)

N.B. Management of the property would remain the landlord's responsibility.

#### 5. Summary of Letting Scheme Benefits

Free Part-Managed Service	
<ul style="list-style-type: none"> <li>• non-payment intervention</li> <li>• welfare checks</li> <li>• links to services</li> <li>• advice and support</li> </ul>	<input checked="" type="checkbox"/>
Rent Guarantee Agreement	<input checked="" type="checkbox"/>
Deposit Guarantee Agreement	<input checked="" type="checkbox"/>

Free initial property inspection to ensure compliance with the Housing Health & Safety Rating standards	<input checked="" type="checkbox"/>
Financial Assistance for tenant's up-front costs, if applicable	<input checked="" type="checkbox"/>
Free Tenant Finder Service	<input checked="" type="checkbox"/>

## 6. Rent Charges

You can charge a rent equivalent to the local housing allowance rates, see guide below;

Accommodation Type	Weekly LHA Rate <i>(LHA rates are reviewed annually in April)</i>
Room in a House in Multiple Occupation (HMO)	£78
One bed	£103.56
Two bed	£130.03
Three bed	£155.34
Four bed	£205.97

Local Housing Allowance or Universal Credit (UC) payments are not made to landlords by default.

## 7. Landlord Responsibilities

As a landlord you will know that property management can be both a complex as well as a rewarding experience. Private landlords should be familiar with their responsibilities and liabilities when renting a property. As a minimum, landlords should:

- Ensure the property is free from health & safety hazards
- Ensure all appliances and electrical fittings are free from faults, and follow fire safety regulations
- Carry out repairs and maintenance in a reasonable time period (for urgent or emergency repairs, this should be no longer than a few days)
- Allow the tenant to have quiet enjoyment of the property – if you or a contractor needs access to the property to carry out non-emergency repairs you should visit at a time that is convenient for the tenant
- Provide a tenancy agreement for tenants that includes terms, who pays what and when, who is responsible for maintenance and your contact details (we can help with a standard agreement if necessary)
- Provide a valid gas safety certificate
- Provide a valid electrical inspection safety certificate
- Provide an Energy Performance Certificate (EPC)

We will always meet with landlords to assure ourselves that all legal requirements are being complied with before entering into any agreement in order to protect the interests of prospective tenants and carry out inspections for all new properties that are put forward to the scheme.

## **8. Landlord Support**

We provide support throughout the length of the tenancy, on all matters concerning the tenant and any other tenancy issues. We have excellent links with Local Housing Allowance and Universal Credit professionals and can resolve issues quickly.

## **9. Non-Payment of Rent**

Where management issues arise within tenancies created as part of the scheme, we can advise and/or intervene in a number of ways to resolve the problems:

- providing advice & support to landlords
- issuing warnings to tenants
- mediating between landlord and tenant

In the event of rent payment issues we can intervene and arrange for Local Housing Allowance and Universal Credit payments to be paid directly to the landlord. When this is not possible, landlords on the Gold Scheme can also benefit from the additional terms within the Rent Guarantee Agreement, which will be discussed we receive an expression of interest in joining the scheme/s.

## **10. Disclaimer**

Oadby & Wigston Borough Council's only responsibility towards a tenancy created as part of the scheme is limited to the financial amount agreed as part of any guarantees mentioned for the agreed fixed term of the tenancy. All other responsibilities are between the tenant and landlord. Where the amount of the landlord's claim under the scheme is more than the amount of protection provided under the guarantee, the landlord may wish to seek recovery from the tenant directly.

The scheme/s does not create any legal relationship between the Council and the Landlord nor does it create any other responsibilities on the part of the Council.

## **11. Leasing your Property to Oadby & Wigston Borough Council**

You may prefer to lease your property to us for a 3 year period (with the possibility of an extension). As part of leasing your property to Oadby & Wigston Borough Council we will:

- arrange for an inspection to be carried out at the property
  - carry out all the annual safety checks
  - carry out minor repairs
  - guarantee rental income even if the property is empty
  - set rents in line with the Local Housing Allowance rates
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